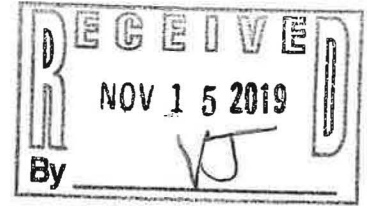


Moxie Seven, LLC
2955 West 17th Street, Suite 1
Erie, Pennsylvania 16505



November 15, 2019

Nicole Granito
PA Cyber School
Chief Operations Officer
652 Midland Avenue
Midland, PA 15059

RE: LEASE COMMENCEMENT

Dear Nicole:

Reference is made to that certain lease agreement (the "Lease") dated May 13, 2019, by and between Moxie Seven LLC (hereinafter, "Landlord") and The Pennsylvania Cyber Charter School, a PA public charter school (hereinafter, "Tenant") covering that certain real estate commonly known as 1980 Edinboro Road, Suite B, Erie, PA, 16509 (hereinafter the "Demised Premises").

All capitalized terms contained in this letter shall have the same meaning ascribed to them as in the Lease.

Constructive possession of the Demised Premises was delivered to the Tenant on November 4, 2019. Therefore, the Initial Term of the Lease shall commence on December 5, 2019 and expire on December 31, 2029. Monthly rent payments shall commence on December 5, 2019 and shall continue each month thereafter of the Initial Term as set forth in Section 4.0 of the Lease. The first month will be prorated for the time period, which will be 27 days for rent (Monthly rent of \$17,238.92/31 days = \$556.09 per day * 27 days = \$15,014.54).

Also, monthly common area maintenance charges, as per Section 9.4c will be due as of December 5, 2019 and will continue each month thereafter of the Initial Term. The first month will be prorated for the time period, which will be 27 days for rent (Monthly estimated CAM of \$3,159.00/31 days = \$101.90 per day * 27 days = \$2,751.31).

In accordance with Section 6.0 of the Lease, you are required to carry insurance coverage for the Demised Premises. Please send us an insurance certificate fulfilling these requirements as soon as possible.

We wish you much success at this location and thank you for your cooperation and attention in this matter.

Rent \$ 15,014.54
CAM 2,751.31

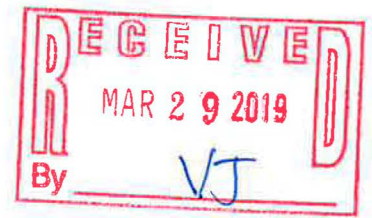
Net Dec Rent Expense \$ 17,765.85

Sincerely yours,
Moxie Seven LLC

By: Michelle Griffith-Aresco
Name: Michelle Griffith-Aresco



Passport Realty, LLC



2930 West 22nd Street, Suite 102
Erie, Pennsylvania 16506
Office: 814.454.1800 · Fax: 814.464.8930

DARYL E. TERELLA
Senior Vice President
dterella@1passport.com

February 18, 2019

Gregory Rubino
Passport Realty, LLC
2930 W. 22nd Street
Suite 102
Erie, Pa. 16506

RE: Lease of Suite B, 1980 Edinboro Road, Erie, PA

Dear Greg:

I am pleased to outline below a summary of economic terms upon which The Pennsylvania Cyber Charter School would consider entering into a lease agreement with the Landlord at the property referenced above and known as 1980 Edinboro Road, Suite B (the "Property").

Landlord: Moxie Seven, LLC

Tenant: The Pennsylvania Cyber Charter School subject to Landlord's review and approval of Tenant's financials. Please forward the Tenant financial information for Landlord's review.

Tenant's Mailing Address: 652 Midland Ave., Midland, PA 15059

Demised Premises: 1980 Edinboro Rd, Suite B, having, approximately 11,182 square feet as shown on Exhibit "A" attached hereto, which is part of the building containing approximately 20,868 square feet of space and related common areas ("Building"). The Building is located in a shopping center

known as (the "Center") adjacent to the Millcreek Mall and the former Toys R Us building.

Lease Terms: The initial term of the lease (the "Lease") shall be ten (10) years.

Delivery of Space: Landlord shall provide "Tenant Improvements" for improvements constructed and installed within the Demised Premises (excluding furniture, fixtures and equipment) pursuant to plans and specifications to be approved by Landlord and Tenant.

Tenant Improvement Allowance: Landlord shall provide an allowance of \$ 35.00 per square foot of the Demised Premises ("Allowance") toward the construction of the Tenant Improvements. Upon completion of Landlord's work, Tenant shall, within 30 days of receipt of an invoice and related back-up materials, reimburse Landlord the amount over the Allowance. Tenant shall pay Landlord's invoice within 15 days of Tenant's receipt of said invoice and related back-up materials.

Lease Commencement: Commencement of rent payment under the Lease will be the earlier of the day on which Tenant opens for business to the public, or thirty (30) days after Landlord has delivered the Demised Premises to Tenant with the Tenant Improvements substantially complete.

Permitted Use: The Demised Premises will be used for general office purposes including, without limitation, administrative offices and enrollment, orientation, educational and social appointments and enrichment activities (no classroom instruction) for Tenant. The tenant shall determine if the Permitted Use is in violation of any zoning ordinance or other applicable law, rule or regulation. Landlord will represent and warrant the Center has no restrictions on the Permitted Use of the Demised Premises. In no event shall the Permitted Use or any other use which Tenant makes of the Leased Premises include any use in violation of any Center or Building restrictions, nor any of the exclusive or prohibited uses now or hereafter granted to any other tenant, occupant or owner of the Center or Building.

Minimum Annual Rent: Years 1 – 5: \$18.50 per square foot, NNN, annually.
Years 6 – 10: \$20.25 per square foot, NNN, annually.

Lease Renewal Options:

Upon not less than 180 days' advance notice, Tenant will have two (2) options of five (5) years each to renew the Lease, at the following rental rate:

The Minimum Annual Rent during the Option Periods shall be increased 10% over the previous 5-year period.

Operating Expenses and Real Estate Taxes NET LEASE:

Ste B Entire Bldg
11,182 / 20,868
= 53.58%

The Building and its designated parking area are maintained by the Landlord of the Building and the tenants of the Building are not assessed for any additional CAM, tax, or insurance charges assessed on the Center. The Demised Premises is 54.6% of the Building.

Common Area Maintenance (CAM): Tenant shall pay its pro-rata share of common area maintenance expenses which will include normal and customary Common Area Maintenance Expenses including exterior maintenance and parking lot lighting. Tenant's pro-rata share of the CAM expenses is currently estimated to be \$1.50/SF.

Taxes: Tenant shall pay its pro-rata share of all real estate taxes assessed against the Property. Tenant's pro-rata share of the Taxes is currently estimated to be \$1.50/SF.

Insurance: Tenant shall pay its pro-rata share of Landlord's insurance. Tenant's pro-rata share of the Insurance is currently estimated to be \$0.39/SF.

Utilities: All utilities servicing the Demised Premises will be separately metered and paid for by Tenant.

Maintenance: Tenant shall maintain the interior of the Demised Premises, all mechanicals solely serving the Demised Premises and plate glass of the Demised Premises. Landlord shall be responsible for the roof and all structural repairs. All mechanicals will be in good working order as of the Rent Commencement Date, and Landlord will warrant all mechanicals for a period of one (1) year thereafter. Tenant shall be responsible for servicing and maintaining the mechanicals with qualified contractors to service said mechanical systems.

Signage:

Tenant shall be permitted, at its own expense, to install prominent storefront signage on the front and the side (so long as it does not diminish signage for other tenants or occupants of the Center) of the Demised Premises subject to Landlord's approval, not to be unreasonably withheld or delayed, as to the size, color, type and location and subject to municipal regulations. Tenant shall also be permitted to install its sign panels on the Center's pylon subject to Landlord's approval as stated herein. Tenant's shall have the option to place its signage on both existing Center pylons (one fronting Peach St and the other fronting Edinboro Rd) as shown on Exhibit C to be attached hereto at a later date.

Parking:

Except for 18 Tenant dedicated parking spaces as shown on Exhibit "B" attached hereto, all parking within the Center shall be on a non-assigned basis. Landlord may, from time to time, in its sole discretion, designate parking for the other tenant(s) of the building. Landlord, at its sole cost and expense, will mark the 18 Tenant-dedicated parking spaces as "Reserved for The Pennsylvania Cyber Charter School".

Assignment and Sublease Right:

Tenant shall have the right to assign the Lease or sublet all or any portion of the Demised Premises to any related entity, upon the prior approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Tenant shall remain primarily liable in the event of any sublease or assignment. Tenant shall not be obligated to pay Landlord a fee for the review of any proposed assignment or sublease documents. In no event shall any use of any subtenant or assignee approved by Landlord include any use in violation of any Center or Building restrictions, nor any of the exclusive or prohibited uses now or hereafter granted to any other tenant, occupant or owner of the Center or Building. In the event of a Landlord approved sublease or assignment, any excess rent paid to Tenant shall be paid over to the Landlord.

Broker:

Landlord shall pay any and all commissions due and payable to the brokers per a separate agreement. Tenant has not engaged any other broker or agent other than Gregory Rubino of Passport Realty, LLC. Daryl Terella of Passport Realty, LLC represents the Landlord.

Form of Lease:

The Lease shall follow the form of Landlord's standard lease agreement, subject to the mutual agreement of the parties.

Exclusivity Period:

It is understood that neither Tenant nor Landlord shall incur any liability or obligation by reason of this Letter of Intent and neither party shall be obligated to the other until a binding Lease is executed. However, except for Renovus, LLC d/b/a Toni & Guy, it is the intention of the parties that Landlord shall deal with no one else regarding the Demised Premises and Tenant shall not negotiate with any other parties for space for its intended use from and after the final execution of this Letter of Intent, until such time as either party has, after negotiating in good faith, determined that the terms of the proposed Lease are unacceptable.

The Tenant has been notified by the Landlord that Renovus, LLC ("Renovus") d/b/a Toni & Guy has a right of first refusal to lease the Demised Premises. Upon Landlord's receipt of a fully executed LOI and delivery of the terms of said LOI to Renovus, Renovus has a ten-day period to notify Landlord if it will exercise its right of first refusal. Upon mutual execution of this Letter of Intent, the Landlord shall promptly deliver a copy to Renovus (redacting Tenant's name and Permitted Use) and shall immediately notify Tenant if Renovus exercises or rejects its right of refusal option.

Non-binding:

This Letter of Intent is for discussion purposes only between Tenant and Landlord to agree on the business terms of a lease of the Demised Premises. A binding Lease shall not exist unless and until a definitive Lease containing the specific terms and conditions of the transaction has been executed by and delivered to all parties. It is expressly acknowledged that this Letter of Intent does not address all essential terms of the transaction and that such essential terms will be the subject of further negotiation and incorporated into the Lease. Neither party may claim any legal rights against the other by reason of any actions taken in reliance upon this Letter of Intent. Either party shall have the right to terminate the negotiations of a formal and final Lease for any reason and for no reason neither party owes

the other party any duty to negotiate a formal and final Lease.

I look forward to working with you to establish offices for The Pennsylvania Cyber Charter School at the above-referenced location. Upon your review, please feel free to contact me with any questions or comments you may have.

Sincerely,

The Pennsylvania Cyber Charter School

By: _____
Eric Woelfel
Deputy Chief Operations Officer

Accepted by Landlord:

By: _____

PRINTED NAME

Its: _____

Date: _____

Accepted by Tenant:

By: _____

PRINTED NAME

Its: _____

Date: _____



LEASE

THIS LEASE (this "**Lease**") is made this 13th day of May, 2019 (the "**Effective Date**") by and between **MOXIE SEVEN LLC**, a Pennsylvania limited liability company having offices at 2955 West 17th Street, Suite 1, Street, Erie, Pennsylvania 16505, hereinafter sometimes referred to as "**Landlord**", and THE PENNSYLVANIA CYBER CHARTER SCHOOL, a PA public charter school, with a mailing address of 652 Midland Avenue, Midland, Pennsylvania 15059, hereinafter sometimes referred to as "**Tenant**", who hereby mutually covenant and agree as follows, intending to be legally bound:

I. PREMISES AND TERM

1.0 Demise, Term and Commencement.

Landlord, for and in consideration of the rents herein reserved and of the covenants and agreements herein contained on the part of Tenant to be kept, observed, and performed, demises and leases to Tenant approximately **11,182 square feet**, which consists of those portions of the building (the "**Building**") which are depicted on **Exhibit A** hereto (the "**Leased Premises**" or "**Premises**"), located on certain real estate owned by Landlord, situated in the Township of Millcreek, County of Erie and State of Pennsylvania, commonly known as **1980 Edinboro Road, Suite B, Erie, Pennsylvania 16509**, (the "**Property**") which is depicted on **Exhibit B** hereto, together with the right to use up to a total of **eighteen (18)** Landlord-designated marked parking spaces in the parking lot located on the Property and as shown on Exhibit B. The Building and Property are part of a shopping center (the "**Center**") adjacent to the Millcreek Mall which is depicted on **Exhibit C** hereto.

The term of this Lease is for a period of **ten (10) years** (the "**Lease Term**") beginning at 12:00 AM on the thirtieth (30th) day following the Landlord's delivery of the Leased Premises to Tenant or such earlier date that Tenant opens for business (the "**Commencement Date**") and ending at 11:59 PM on the last day of the tenth (10th) Lease Year (the "**Termination Date**"). The first Lease year shall be for a period of twelve (12) consecutive calendar months from the Commencement Date of this Lease, except that if such commencement date shall be other than the first day of a calendar month, the first Lease year shall be the period from such commencement date to the end of the calendar month in which it shall occur, plus the following twelve (12) calendar months (the "**First Lease Year**"). Each Lease year after the First Lease Year shall be a successive period of twelve (12) calendar months (each, including the First Lease Year, a "**Lease Year**"). At the request of Landlord, the parties shall sign a commencement date rider to this Lease ("**Commencement Date Rider**") to confirm the Commencement Date, the Termination Date, and the corresponding dates for the First Extension Term and Second Extension Term. The Lease Term and the Termination Date may be extended pursuant to Section 1.1 hereof, in which case all references herein to the "Term" or "Lease Term" or "Termination Date" shall denote the Term or Termination Date as extended.

1.1 Extension Terms

If the Tenant shall not then be in default under the terms of this Lease beyond any applicable notice and cure period as of the end of the Lease Term, the Tenant shall have the option to extend the Lease Term for five (5) Lease Years commencing on the day after the Initial Termination Date (the "First Extension Term") and ending at 11:59 PM on the last day of the fifteenth (15th) Lease Year (the "First Extension Termination Date") on the same terms, covenants and conditions set forth herein, except that the rent (as separately defined herein) during the First Extension Term shall be increased by ten percent (10%) as set forth in Section 9.4 (b) hereof. The Tenant shall notify Landlord in writing of intention to exercise said option by delivering to the Landlord a written notice not less than six (6) months prior to expiration of the Lease Term.

If the Tenant shall not then be in default under the terms of this Lease beyond any applicable notice and cure period as of the end of the First Extension Term, the Tenant shall have the option to renew this Lease for an additional five (5) years (the "Second Extension Term") commencing on the day after the First Extension Termination Date and ending at 11:59 PM on the last day of the twentieth (20th) Lease Year on the same terms, covenants and conditions set forth herein, except that the rent (as separately defined herein) during the Second Extension Term shall be increased by ten percent (10%) from rent during the First Extension Term as set forth in Section 9.4 (b) hereof. The Tenant shall notify Landlord in writing of intention to exercise said option by delivering to the Landlord a written notice not less than six (6) months prior to expiration of the First Extension Term.

II. ENVIRONMENTAL MATTERS

2.0 Environmental Matters.

Landlord hereby represents and warrants, to the best of its knowledge, that the Leased Premises and the Property are free from Hazardous Materials (as defined below).

Tenant shall keep and maintain the Leased Premises in compliance with, and shall not cause or permit the Leased Premises to be in violation of, any federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to environmental conditions ("Hazardous Materials Laws") on, under, about, or affecting the Leased Premises. Tenant shall not use, generate, manufacture, store, release, or dispose of on, under, or about the Leased Premises or transport to or from the Leased Premises any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under the Hazardous Materials Laws including but not limited to the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances

(40 CFR Part 302) and amendments thereto, or such substances, materials or wastes otherwise regulated under any applicable local, state or federal law (collectively referred to hereinafter as "**Hazardous Materials**"). Tenant shall notify Landlord of any material release of Hazardous Materials of which it gains knowledge or receives notice, and of any violation of Hazardous Materials Laws of which Tenant gains knowledge of or receives notice.

Tenant shall be solely responsible for, and shall indemnify and hold harmless the Landlord, its owners, employees, agents, successors, and assigns from and against, any claim, action, suit, proceeding, fine, loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge or disposal of Hazardous Materials on, under or about the Leased Premises by Tenant or Tenant's agents, including without limitation: (i) all reasonably foreseeable consequential damages; (ii) the costs of any required or necessary repair, cleanup, or detoxification of the Leased Premises, and the preparation and implementation of any closure, remedial, or other required plans; (iii) sums paid in satisfaction of or settlement of suits, claims, etc.; and (iv) all costs and expenses incurred by the Landlord in connection with clauses (i), (ii) and (iii), including, but not limited to, attorneys' fees. In the event of a release of Hazardous Materials by Tenant or Tenant's agents, Tenant shall, upon the request of the Landlord provide the Landlord with a bond or letter of credit, in form and substance satisfactory to the Landlord, in an amount sufficient to cover the costs of any required cleanup.

Tenant shall, at its expense, take all necessary remedial action(s) in response to the violation by Tenant or Tenant's agents of any Hazardous Materials Laws on, under, or about the Leased Premises, after prior approval thereof by Landlord where practicable under the circumstances.

III. PURPOSE

3.0 Purpose.

The Leased Premises shall be used and occupied only for general office purposes, including without limitation for administrative offices and enrollment, orientation, educational and social appointments and enrichment activities (no classroom instruction), and for no other purpose.

3.1 Uses Prohibited.

Tenant shall not permit the Leased Premises to be used in any manner which would increase the cost of insurance or render the insurance thereon void. Tenant shall not use or occupy the Leased Premises, or permit the Leased Premises to be used or occupied contrary to any statute, rule, order, ordinance, requirement, or regulation applicable thereto, or in any manner which would violate any certificate of occupancy affecting the same, or which would cause structural injury to the improvements or cause the value or usefulness of the Leased Premises or any part thereof to diminish, or which would constitute a public or private nuisance or waste.

In no event shall the Tenant or any Landlord approved subtenant or assignee use the Leased Premises for any use that would violate any of the exclusive or prohibited uses now or hereafter granted to any other tenant, occupant, or owner of the Center or Building. The existing exclusive uses for other tenants or occupants of the Center and the Building are identified in the attached **Exhibit D**.

IV. RENT

4.0 Rent.

Beginning with the Lease Commencement Date and continuing for five (5) Lease Years, Tenant shall pay rent for the Leased Premises, at the address set forth in Section 19.3 hereof or at such other place or places as Landlord may designate in writing from time to time, in the amount of Two Hundred Six Thousand Eight Hundred Sixty Seven and 00/100 Dollars (\$206,867.00) per year payable in equal monthly installments of Seventeen Thousand Two Hundred Thirty Eight and 92/100 Dollars (\$17,238.92). Such monthly installments shall be due in advance on the first day of each month, commencing on the Commencement Date (prorated for a fraction of a month if the Commencement Date is any day other than the first day of any month) and continuing each month until the end of the fifth (5th) Lease Year.

Beginning on the first (1st) day of the month of the sixth (6th) Lease Year and continuing through the Initial Termination Date, Tenant shall pay rent for the Leased Premises, at the address set forth in Section 19.3 hereof or at such other place or places as Landlord may designate in writing from time to time, in the amount of Two Hundred Twenty Six Thousand Four Hundred Thirty Five and 50/100 Dollars (\$226,435.50) per year payable in equal monthly installments of Eighteen Thousand Eight Hundred Sixty Nine and 63/100 Dollars (\$18,869.63). Such monthly installments shall be due in advance on the first day of each month.

All payments of rent shall be made without deduction, set off, discount, or abatement, unless otherwise set forth herein, in lawful money of the United States.

4.1 Interest on Late Payments.

Each and every installment of rent, and each and every payment of other charges due to Landlord hereunder, which shall not be paid within ten (10) days of when it is due, shall bear interest at a rate equal to the lesser of (a) eighteen percent (18%) per annum (1.5% per month) or (b) the maximum rate permitted by law from the date when the same is payable under the terms of this Lease until the same shall be paid. There will also be a \$100.00 late fee imposed on the 6th day of the month if rent is not paid.

4.2 Tenant Improvements.

Landlord shall construct certain Tenant Improvements as set forth on the attached **Exhibit E** and shall deliver the Premises upon receipt a certificate of occupancy from Millcreek Township.

V. IMPOSITIONS

5.0 Payment of Impositions by Tenant.

As additional rent hereunder, Tenant shall pay to Landlord 55.60% (its "**Proportionate Share**") of all real estate taxes (net of all abatements, refunds, credits, reductions and the like) which may be assessed, or imposed upon the Property and the Building ("**Impositions**") during the Term of this Lease; provided, however, that Impositions shall be prorated between Landlord and Tenant as of the Lease Commencement Date for the first year of the Lease Term and as of the expiration date of the Lease Term for the last year of the Lease Term (on basis of the last ascertainable taxes). These payments will be made as part of the additional rent addressed in Section 9.4 of this Lease.

5.1. Alternative Taxes.

In the event that, during the Term of this Lease, any taxing authority presently assessing ad valorem real estate taxes against the Leased Premises shall substantially modify or abolish such tax or assessment in favor of an alternative revenue procedure, the Tenant shall be responsible for the same as assessed against the Leased Premises.

5.2 Appeal of Impositions.

Tenant may appeal, at its own expense, the amount of any Imposition during the Term of this Lease. Landlord agrees to cooperate to the extent of joining with Tenant in the execution of any forms filed, or to be filed, in connection herewith.

Landlord may also undertake such an appeal and the expenses and costs thereof shall be reimbursable from Tenant to Landlord only out of, and from, and to, the extent of any savings to Tenant realized therefrom.

VI. INSURANCE

6.0 Insurance to be Obtained by Tenant.

Tenant covenants to provide on or before the Lease Commencement Date and to keep in force during the Term the following insurance coverage on an "occurrence" basis and not on a "claims made" basis:

(a) Commercial General Liability Insurance on an occurrence basis to afford protection in an amount of not less than Two Million (\$2,000,000) Dollars per location arising out of any one occurrence, including, by endorsement, "severability of interest" coverage.

(b) Insurance against Property, Business Interruption and extra expense losses to Tenant's personal property and "Trade Fixtures" (as defined in Section 17.0) as are insurable under then available "all risk" named exclusions insurance policies, including flood, earthquake, boiler and machinery insurance, for an amount equal to 100% of the full replacement cost and time element value thereof (including "agreed amount" endorsements).

(c) During such time as Tenant shall be constructing any improvements, Tenant, at its sole cost and expense, shall cause to be maintained, (i) Worker's Compensation Insurance covering all persons employed in connection with the improvements in statutory limits, (ii) a completed operations endorsement to the Commercial General Liability Insurance policy referred to above, and (iii) builder's risk and/or installation insurance, completed value all risk (named exclusions) form. Tenant shall notify Landlord of any anticipated improvements and betterments, such improvements to be subject to Section 9.5 herein.

6.1 Proof of Coverage

Tenant shall cause all insurance policies required to be purchased or maintained by the Tenant hereunder to specifically name Landlord and its beneficiary and any mortgagee as additional insureds and shall furnish certificates of said policies with the Landlord, its beneficiary and any Mortgagee. Tenant shall also cause its insurers for such policies to notify Landlord of the policy lapsing or being terminated by the Tenant, whether by reason of non-payment or cancellation by the Tenant.

6.2 Reimbursement for Coverage Obtained by Landlord.

As part of the additional rent addressed in Section 9.4 of this Lease, Tenant shall reimburse Landlord for its Proportionate Share of the cost of real property insurance (including earthquake, flood, demolition, terrorism, plate glass, sprinkler leakage and loss of rents) to be maintained by Landlord on the Property and the Building on an all-risk, named exclusion, full replacement value basis, including building code modifications.

6.3 Cooperation.

Landlord and Tenant shall cooperate with each other in connection with the collection of any insurance monies that may be due in the event of a loss, and each party shall execute and deliver to the other such proofs of loss and other instruments which may be required for the purpose of obtaining the recovery of any such insurance monies.

6.4 Mutual Waiver of Subrogation.

Each party hereto waives any and every claim which arises or may arise in its favor and against the other party hereto 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 valid and collectible property insurance policies, exclusive of deductibles, to the extent that such loss or damage is 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.

VII. DAMAGE OR DESTRUCTION

7.0 Landlord's Obligation to Rebuild.

In the event the Building is damaged by fire, explosion, or other casualty, Landlord shall commence the repair, restoration, or rebuilding thereof within sixty (60) days of such damage (closing up the structure from the elements, if feasible, within ten (10) days of such damage), and shall complete such restoration, repair, or rebuilding within 270 days (or such longer time as is reasonable under the circumstances) after the commencement thereof, provided that if construction is delayed because of changes, deletions, or additions in construction requested by Tenant; strikes, lockouts, casualties, acts of God, war, material or labor shortages, governmental regulation, or other causes beyond the control of Landlord, the period for restoration, repair, or rebuilding shall be extended for the amount of time Landlord is so delayed. If the casualty or the repair, restoration, or rebuilding caused thereby shall render the Leased Premises untenable, in whole or in part, rent and all other sums due hereunder, with the exception of any rent, additional rent or other sums past due at the time of casualty, shall abate to the extent and during the period of untenability, and Tenant shall have no liability therefor. Notwithstanding the foregoing, if any fire, explosion, or other casualty damages the Building to the extent of 50% or more thereof, or if repair, restoration or rebuilding cannot be completed, in the reasonable judgment of the Landlord, or is not completed, within 270 days, Landlord may, in lieu of repairing, restoring, or rebuilding the same, terminate this Lease within sixty (60) days after occurrence of the event causing the damage. Further, if the damage occurs during the final year of this Lease and Tenant does not exercise any then existing renewal or extension option, Tenant may terminate this Lease within thirty (30) days after the occurrence of the event causing the damage. In either such event, the obligation of Tenant to pay rent and other charges hereunder shall end as of the date when untenability occurred.

VIII. CONDEMNATION

8.0 Taking of Whole.

If the whole of the Building shall be taken or condemned for a public or quasi-public use or purpose by a competent authority, or if such a portion of the Building shall be so taken that as a result thereof the Leased Premises cannot be used for the same purpose as expressed in Article III, then in either of such events, the Lease shall terminate upon delivery of possession to the

condemning authority, and any award, compensation, or damages (hereinafter sometimes called the "**award**"), shall be paid to and be the sole property of Landlord, but nothing herein shall preclude Tenant from proving (to the extent allowable by law) its damages with respect to moving expenses and loss of personal property, and receiving an award therefor. Tenant shall continue to pay rent until the Lease is terminated, and any Impositions prepaid by Tenant shall be adjusted between the parties.

8.1 Partial Taking.

If only a part of the Building shall be so taken or condemned, and, as a result thereof, the balance of the Leased Premises can be used for the same purpose as expressed in Article III, this Lease shall not terminate, and Landlord shall repair and restore the Building, subject, however, to the terms of Section 7.0. Rent and all other sums due hereunder, with the exception of any rent, additional rent or other sums past due at the time of the taking or condemnation, shall be equitably abated following such taking. Any portion of the award which has not been expended by Landlord for such repair or restoration shall be retained by Landlord as Landlord's sole property. If 30% or more of the Building, or if access to the Leased Premises is taken, shall be so taken or condemned, the Landlord or Tenant may terminate this Lease by giving written notice thereof to the other party within sixty (60) days after such taking with at least sixty (60) days prior notice of the date of termination. In such event, the award shall be paid to and be the sole property of Landlord, but nothing herein shall preclude Tenant from proving (to the extent allowable by law) its damages with respect to moving expenses and loss of personal property, and receiving an award therefor. Tenant shall continue to pay rent until the Lease is terminated, and any excess Impositions prepaid by Tenant shall be adjusted between the parties, retroactive to the date of taking.

IX. MAINTENANCE AND ALTERATIONS

9.1 Tenant's Maintenance

Tenant's taking possession shall be conclusive evidence as against Tenant that the Leased Premises were in good order and satisfactory condition when Tenant took possession, and Tenant accepts same "AS IS" and with all faults and without any warranties or representations, either express or implied, except for latent defects; provided however, Tenant must provide notice of any latent defect within sixty (60) days of Tenant's actual knowledge of such defect or the Tenant shall be deemed to have accepted the latent condition with no obligation on the Landlord related thereto. Tenant will keep and maintain the Leased Premises and all fixtures and equipment located therein, and all systems or portions of systems exclusively serving the Leased Premises, in a clean, safe and sanitary condition, will take good care thereof and make all required repairs and replacements thereto, will suffer no waste or injury thereto, and will, at the expiration or other termination of the Lease Term, surrender the Leased Premises, broom clean, in the same order and condition the Leased Premises were in on the Lease Commencement Date unless otherwise directed by Landlord, ordinary wear and tear excepted. All light bulbs and tubes for the Leased Premises shall be provided and installed by Tenant at Tenant's cost and expense. Tenant

will also provide and maintain fire extinguishers for the Leased Premises per local code. Notwithstanding the foregoing, (a) Landlord hereby represents and warrants that all mechanical systems serving the Leased Premises (including, without limitation, the HVAC system) will be in good working order on the Commencement Date, and (b) Landlord warrants that such mechanical systems will be free from defects for a period of one (1) year following the Commencement Date, excepting any defect caused by Tenant's gross negligence or intentional misconduct.

Tenant shall keep and maintain the interior of the Leased Premises in good order and repair. If Tenant refuses or neglects to maintain the interior of the Leased Premises or commence and complete said repairs promptly and adequately, Landlord may after ten (10) days' written notice to Tenant, but shall not be required to, perform such maintenance or make and complete said repairs or changes and Tenant shall pay the actual, customary and reasonable cost thereof to Landlord upon demand, together with the sum equal to ten percent (10%) of said costs for overhead due and payable within thirty (30) days after billing from Landlord to Tenant.

In addition, Tenant shall fully comply with and shall cause the Leased Premises to comply with (a) all existing or hereafter adopted governmental statutes, laws, rules, orders, regulations and ordinances, and covenants, conditions and restrictions of record, affecting the Premises, and the use thereof, including without limitation, those which require the making of any alterations, improvements or additions to the Premises (collectively, "**Laws**"); and (b) all safety, health and police regulations in force at any time during the term or any extensions hereof, and shall conform to the rules and regulations of fire underwriters or their fire protection engineers (collectively, "**Regulations**"). Further, Tenant shall not use the Leased Premises in violation of Landlord's obligations under the Reciprocal Easement Agreements. Landlord hereby represents and warrants that, as of the Commencement Date, the Leased Premises complies with all of the foregoing Laws and Regulations in existence as of the Commencement Date and with the Reciprocal Easement Agreements.

9.2 Landlord's Maintenance, Repairs and Responsibilities

No promise of Landlord to alter, remodel or improve the Leased Premises or the Building and no representation respecting the condition of the Leased Premises or the Building have been made by Landlord to Tenant, unless the same is contained herein, or made a part hereof. Subject to Tenant's maintenance, repair and reimbursement obligations under other provisions of this Lease, Landlord shall maintain and keep in repair the roof, foundation and exterior walls of the Building, and systems of the Building (up to the point of connection with the Tenant's systems) making such repairs and replacements as become necessary after obtaining actual knowledge of the need for such repairs and replacements.

Prior to the Commencement Date, Landlord, at its sole cost and expense, shall coat and re-stripe the parking lot on the Property.

9.3 Damage Caused by Tenant

All injury, breakage and damage to the Leased Premises and to any other part of the Building caused by any act or omission of Tenant or any agent, employee, subtenant, licensee, contractor, customer, client, family member or invitee of Tenant, shall be repaired by and at the sole expense of Tenant, except that Landlord shall have the right, at its sole option, to make such repairs and to charge Tenant for all costs and expenses (including a market rate project management fee) incurred in connection therewith as additional rent hereunder. The liability of Tenant for such costs and expenses shall be reduced by the amount of any insurance proceeds received by Landlord on account of such injury, breakage or damage.

9.4 Annual Operating Charges

(a) As additional rent hereunder, during the Term of the Lease, Tenant shall pay to Landlord its Proportionate Share (as defined above) of the Annual Operating Charges (as hereinafter defined) incurred by Landlord in the operation of the Property during each Operating Year. As used in this Lease, an "Operating Year" is the period beginning on January 1 and ending on the next December 31, both dates inclusive, or any portion of such period. The "Annual Operating Charges" are defined as the sum of all commercially reasonable costs and expenses incurred by or on behalf of Landlord in operating, managing, insuring, securing and maintaining the Property or any part thereof, including, without limitation, all commercially reasonable costs and expenses of: water, sewer, firelines, and all costs for operating, equipping, maintaining, repairing, replacing, policing, painting, and cleaning the lighting, electrical, plumbing, fire prevention system, mechanical, heating, ventilating and air conditioning systems, parking lot and sidewalks, signage, alarm systems and phone lines for monitoring alarm systems; all supplies and materials; maintenance, repair of all exterior glass; storage, removal and other costs associated with debris; maintenance, repair or replacement of awnings, paving, curbs, lots, walkways, exterior landscaping, drainage, pipes, ducts, conduits and similar items, the roof, and elevators (if applicable); energy management services; maintenance contracts; window cleaning; snow removal and salting; janitorial service for common areas; recycling expenses; the costs of any additional services not provided to the Property at the Lease Commencement Date but thereafter requested by Tenant and provided by Landlord; market rate management fee; and any costs, charges and expenses, in addition to those set forth in this definition, which according to generally accepted accounting principles (GAAP) and practice would be regarded as costs to operate, manage, insure, secure or maintain the Property. Annual Operating Charges shall also include the portion of property taxes and insurance premiums that Tenant is obligated to pay under Articles V and VI above.

(b) Notwithstanding Section 9.4(a), Annual Operating Charges shall not include the following: (i) legal fees, space planners' fees, real estate brokers' leasing commissions and advertising expenses incurred in connection with the original or future leasing of space in the Building; (ii) depreciation and interest and principal payments on mortgages and other debt costs, if any; (iii) costs and expenses associated with the operation of the business entity which constitutes Landlord as the same are distinguished from the costs of operation of the Property,

including accounting and legal matters with respect to same; (iv) costs of selling or financing any of Landlord's interest in the Property; (v) income, excess profits, franchise taxes or other such taxes imposed on or measured by the net income of Landlord from the operation of the Building; (vi) costs incurred by Landlord for the repair of damage to the Building and any other costs to the extent that Landlord is reimbursed for same by insurance proceeds or is otherwise reimbursed; (vii) the costs of special services and utilities separately chargeable to individual tenants of the Building; (viii) capital expenditures; (ix) bad debt expenses and interest, principal, points and fees on debts or amortization on any mortgage or other debt instrument encumbering the Building or the Property; and (x) rentals for items which if purchased, rather than rented, would constitute a capital cost.

(c) Statement of Annual Operating Charges (Including Taxes and Insurance).

Tenant shall, as additional rent hereunder, make estimated monthly payments on account of the amounts Tenant will be obligated to pay pursuant to Articles V, VI and IX of this Lease and for each Operating Year falling entirely or partly within the Lease Term. Tenant shall pay to Landlord on the first (1st) day of each month during the Operating Year, as additional rent hereunder, an amount equal to such monthly estimated amount. For the first year of the Lease, Tenant's estimated monthly payment towards the Annual Operating Charges shall be Three Thousand One Hundred Fifty-Nine and 00/100 Dollars (\$3,159.00) per month. Within ninety (90) days after the expiration of such Operating Year, Landlord shall submit to Tenant a statement ("**Annual Reconciliation Statement**") showing the Annual Operating Charges incurred during such Operating Year and the aggregate amount of the estimated payments made by Tenant on account of the Annual Operating Charges. If the aggregate amount of such estimated payments paid by Tenant for the Annual Operating Charges exceeds Tenant's actual liability, Landlord shall credit such excess to Tenant's account, if Tenant is not in default of the Lease, to be applied to the installment(s) of rent and Tenant's share of the Annual Operating Charges next coming due from Tenant (or promptly pay the amount to the extent there are not amounts owed by Tenant against which Landlord can provide the credit). If Tenant's actual liability for Annual Operating Charges exceeds the estimated payments made by Tenant on account thereof, then Tenant shall within thirty (30) days, pay to Landlord, as additional rent hereunder, the total amount of such deficiency. In the event the Lease Term commences or expires during an Operating Year, then the share of Annual Operating Charges to be paid by Tenant for such Operating Year shall be determined by multiplying the amount of Tenant's share thereof for the full Operating Year by a fraction, the numerator of which is the number of days during such Operating Year falling within the Lease Term, and the denominator of which is 365. The parties' obligation to reconcile increases in Annual Operating Charges shall survive the expiration or termination of this Lease.

In the event Tenant is in default under this Lease beyond any applicable cure period at the time any credit or payment is otherwise to be made to Tenant under this Section 9.4(c), Landlord may offset against such credit or payment any amount owed by Tenant or for damage incurred or that may be incurred by Landlord as a consequence of said default.

Notwithstanding the foregoing, Landlord's failure to deliver the Annual Reconciliation Statement within two hundred seventy (270) days after the end of an Operating Year shall be deemed a waiver of Landlord's right to collect any deficiency owed from Tenant to Landlord for such Operating Year.

(d) Once in any rolling twelve (12) month period, at Tenant's sole cost and expense with an auditor reasonably approved by Landlord (but not one paid on a contingency fee basis), Tenant may audit, inspect and copy the books and records of Landlord with respect to any cost or item that is passed through to Tenant pursuant to this Lease (e.g., Annual Operating Charges). Tenant shall give notice of such an audit within sixty (60) days after receipt of the Annual Reconciliation Statement. Landlord shall make such books and records available to Tenant at Landlord's office at 2955 West 17th Street, Erie, PA, or at such other location in the vicinity of Erie, PA as Landlord may relocate its offices, during normal business hours. If the audit reveals that Landlord has overstated such pass through items in the aggregate by five percent (5%) or more, Landlord shall be responsible for the cost of such audit.

9.5 Alterations.

Tenant shall not create any openings in the roof or exterior walls, nor shall Tenant make any alterations or additions to the Leased Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Any improvements or alterations shall be subject to any and all Landlord conditions on such improvements, including without limitation sufficient insurance, Landlord's approval of the contractors providing the work, and mechanic's lien waivers from such contractors, among others. In the event of an improvement or alteration by Tenant, such improvement shall be considered Landlord's property, and shall not be removed at the expiration of the Lease Term, with the exception of Trade Fixtures; provided, however, Landlord shall have the right to determine that the improvements shall be removed at the expiration or termination of the Lease and, if Landlord so elects, Landlord shall notify Tenant of its election at least sixty (60) days prior to expiration, in which case Tenant shall remove the improvements subject to the terms and conditions of Section 17.0 of this Lease. Tenant shall be responsible to make all additions, improvements, alterations, and repairs on the Leased Premises and on and to the appurtenances and equipment thereof, which may be made necessary by the act or neglect of any person, firm or corporation (public or private), claiming by, through, or under Tenant. Any improvement or alteration shall be done in a good and workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws, and with all other laws, ordinances, rules, regulations, and requirements of all federal, state, and municipal governments, departments, commissions, boards, and officers, and in accordance with the orders, rules and regulations of the National Board of Fire Underwriters or any other body exercising similar functions. Upon completion of any work by or on behalf of Tenant, Tenant shall provide Landlord with documents as Landlord may reasonably require (including, without limitation, sworn contractor's statements and supporting lien waivers) evidencing payment in full for such work. Notwithstanding the foregoing, Tenant may, without the consent of Landlord, make non-structural alterations in the Leased Premises costing less than Fifteen Thousand and

00/10 Dollars (\$15,000.00) (“**Permitted Alterations**”), provided that Tenant provides reasonable advance notice of the Permitted Alteration with details regarding alterations and otherwise complies with the requirements of this Section 9.5.

X. ASSIGNMENT AND SUBLETTING

10.0 Consent Required.

Tenant shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any of the Tenant’s interest in this lease or in the Leased Premises, or otherwise sell or transfer ownership interests of Tenant in excess of 40% in the aggregate, without Landlord’s prior written consent, such consent shall not be unreasonably withheld, delayed or conditioned. To the extent that any sublease as approved hereunder results in rent in excess of the rent and additional rent paid hereunder, Tenant shall be obligated to pay Landlord any excess rent within ten (10) days of Tenant’s receipt of same. In no event will Tenant be obligated to pay any fee to Landlord for Landlord’s review of documents in connection with Tenant’s request for consent to any assignment, transfer, mortgage, sublet or other transfer.

Landlord and Tenant agree that:

(a) the proposed use of the Leased Premises by the proposed assignee or subtenant shall be limited to the same purposes as expressed in Article III;

(b) such assignee or subtenant shall not be entitled, directly or indirectly, to diplomatic or sovereign immunity and shall be subject to the service of process in, and the jurisdiction of the courts of, the Commonwealth of Pennsylvania, nor shall such assignee or subtenant be a school or other educational institution or any agency or instrumentality of the state, federal or municipal government;

(c) in determining reasonableness under this Section, Landlord may take into consideration all relevant factors surrounding the proposed assignment or sublease including, without limitation, the following: (i) the financial condition and business reputation of the proposed assignee or subtenant (and, if the proposed assignee or subtenant is not an individual, the principals thereof); (ii) the effect that the proposed assignee’s or subtenant’s use or occupancy of the Leased Premises would have upon the operation and maintenance of the Building and the Property and Landlord’s investment therein; (iii) whether the proposed assignee or subtenant is a tenant or occupant of the Landlord or Landlord’s affiliate or one with whom Landlord or its agents is actively negotiating for space in other premises owned by the Landlord; and

(d) Tenant shall remain primarily liable to the terms of this Lease in the event of any Landlord approved sublease or assignment.

10.1 Other Transfer of Lease.

Tenant may, without Landlord's consent, assign this Lease to any corporation resulting from a merger or consolidation of Tenant upon the following conditions:

(a) that the total assets and net worth of such Assignee after such consolidation or merger shall be equal to or more than that of Tenant as of the Commencement Date;

(b) that Tenant is not at such time in default beyond any applicable notice and cure period hereunder; and

(c) that such successors shall execute an instrument in writing fully assuming all of the obligations and liabilities imposed upon Tenant hereunder and deliver the same to Landlord.

10.2 Assignment by Landlord.

Landlord may assign this Lease or any interest herein or convey or transfer the Building or Property without Tenant's consent, but Landlord shall promptly notify Tenant of a conveyance or transfer.

XI. LIENS AND ENCUMBRANCES

11.0 Encumbering Title.

Tenant shall not do any act which shall in any way encumber the title of Landlord in and to the Leased Premises, nor shall the interest or estate of Landlord in the Leased Premises be in any way subject to any claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by Tenant. Any claim to, or lien upon, the Leased Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall be subject and subordinate to the paramount title and rights of Landlord in and to the Leased Premises.

11.1 Liens and Right to Contest.

Tenant shall not permit the Leased Premises to become subject to any mechanics', laborers', or materialmen's lien on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Leased Premises by, or at the direction or sufferance of, Tenant unless Tenant shall promptly bond such lien; provided, however, that Tenant shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claimed lien, if Tenant shall give to Landlord such security as may be deemed reasonably satisfactory to Landlord to insure payment thereof and to prevent any sale, foreclosure, or forfeiture of the Leased Premises by reason of non-payment thereof; provided further, however, that on final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Landlord becomes aware that the Leased Premises has become subject to any mechanics',

laborers', or materialmen's lien on account of labor or material furnished to Tenant, Landlord shall immediately notify Tenant of same.

XII. UTILITIES

12.1 Electric

Tenant shall be responsible for payment of all electric service provided to the Leased Premises, which is and shall be separately metered.

12.2 Gas

Tenant shall pay for natural gas service to the Leased Premises, which is and shall be separately metered, directly to National Fuel.

12.3 Water and Sewer

Tenant shall pay for water and sewer usage, which is and shall be separately metered, directly to the water authority.

12.4 Other Utilities.

Tenant shall purchase, at its own expense, all other utility services, including but not limited to telephone and internet, from the utility or municipality providing such service, and shall pay for such services when such payments are due, indemnifying and saving Landlord harmless from and against any liability for the same.

XIII. INDEMNITY AND WAIVER

13.0 Indemnity.

(a) Tenant Indemnity. Except to the extent caused by the willful misconduct or gross negligence of the Landlord or anyone for whom Landlord is legally responsible, Tenant will indemnify and hold Landlord harmless from and against any and all claims, loss, liability, demands, damages or expenses (including reasonable attorneys' fees and costs) due to bodily injury or property damage caused by anyone for whom Tenant is legally responsible.

(b) Landlord Indemnity. Except to the extent caused by the willful misconduct or negligence of the Tenant or anyone for whom Tenant is legally responsible, Landlord will indemnify and hold Tenant harmless from and against any and all claims, loss, liability, demands, damages or expenses (including reasonable attorney's fees and costs) due to bodily injury or property damage caused by the Landlord or anyone for whom Landlord is legally responsible. Further, Landlord will indemnify and hold Tenant harmless from and against any and all claims, loss, liability, demands, damages or expenses (including reasonable attorney's fees and costs)

arising from (i) any right of first offer granted to a third party affecting the Leased Premises, including without limitation the right of first offer to lease additional space granted to 21st Century Career Developing Academies, LLC ("**21st Century**") under that certain Lease between Landlord and 21st Century dated March 19, 2018 for adjoining space in the Building; or (ii) a violation of the prohibited use identified in Section Article III, Section 3.01(g)(ix) of that certain Reciprocal Easement and Operation Agreement between Toys "R" Us - Penn, Inc. and Office Depot, Inc. dated September 10, 2004 and recorded March 21, 2005 at the Erie County, Pennsylvania Recorder of Deeds at Record Book 1218, Page 1847, which prohibits Landlord from the use of the Building, of which the Leased Premises is a part, "as a training or educational facility, which for purposes hereof shall be a beauty school, barber school, reading room, place of instruction, or any other activity, facility, school or program catering primarily to students or trainees as opposed to shoppers."

(c) Survival. Both Landlord's and Tenant's indemnification obligations provided in this Section 13.0 shall survive the expiration or early termination of the Lease Term.

13.1 Waiver of Certain Claims.

Tenant waives all claims it may have against Landlord for damage or injury to person or property sustained by Tenant or by any occupant of the Leased Premises resulting from any part of the Property or any of its improvements, equipment, or appurtenances becoming out of repair, or resulting directly or indirectly from any act or neglect of any tenant or occupant of any part of the Property or of any other person, including Landlord except in the case of gross negligence or willful misconduct by the Landlord. This Section 13.1 shall include, but not by way of limitation, damage caused by water, snow, frost, steam, excessive heat or cold, sewage, gas, odors, or noise, or caused by bursting or leaking of pipes or plumbing fixtures. All personal property belonging to Tenant that is in or on any part of the Property shall be there at the risk of Tenant, and Landlord shall not be liable for any damage thereto or for the theft or misappropriation thereof, except to the extent caused by Landlord's gross negligence or willful misconduct.

XIV. RIGHTS RESERVED TO LANDLORD

14.0 Rights Reserved to Landlord.

Without limiting any other rights reserved or available to Landlord under this Lease, at law or in equity, Landlord, on behalf of itself and its agents reserves the following rights to be exercised at Landlord's election:

(a) To enter the Leased Premises with reasonable frequency during business hours and on at least two (2) business days' advance notice, except in case of emergency (and at any time during an emergency) for the purpose of inspecting the same, and making necessary repairs as per the terms of this Lease.

(b) To show the Leased Premises to prospective purchasers, mortgagees, or other persons having a legitimate interest in viewing the same, and, at any time during the last six (6) months of the then-current Term, to persons wishing to lease the Leased Premises, with at least two (2) business days' prior notice to Tenant and accompanied by a representative of Tenant.

(c) During the last 180 days of the Lease Term, to place and maintain "For Rent" or "For Sale" signs in or on the Leased Premises, provided that such signs do not interfere with Tenant's business operations.

(d) To take any and all measures, including inspections, repairs, alterations, additions and improvements to the Premises or to the Building, as may be necessary or desirable for the safety, protection or preservation of the Premises or the Building or Landlord's interests, or as may be necessary or desirable in the operation of the Building.

(e) Intentionally deleted.

(f) To install and maintain a cellular phone, satellite dish or similar receiving/transmission station on the roof of the Building.

Landlord may enter upon the Leased Premises for any and all of said purposes and may exercise any and all of the foregoing rights hereby reserved without being deemed guilty of any eviction or disturbance of Tenant's use or possession of the Leased Premises, and without being liable in any manner to Tenant, but shall use its best efforts so as to do minimal interference with Tenant's use and operations.

XV. QUIET ENJOYMENT

15.0 Quiet Enjoyment.

So long as Tenant is not in default under the covenants and agreements of this Lease beyond any applicable notice and cure period, Tenant's quiet and peaceable enjoyment of the Leased Premises shall not be disturbed or interfered with by Landlord or by any person claiming by, through, or under Landlord.

XVI. SUBORDINATION OR SUPERIORITY

16.0 Subordination or Superiority.

The rights and interest of Tenant under this Lease shall be subject and subordinate to any mortgage or trust deed that hereafter may be placed upon the Leased Premises by Landlord and to any and all advances to be made thereunder, and to the interest thereof, if the mortgagee or trustee named in said mortgage or trust deed shall elect to subject and subordinate the rights and interest of Tenant under this Lease to the lien of its mortgage or deed of trust and shall agree to recognize the Lease of Tenant in the event of foreclosure if Tenant is not in default (which

agreement may, at such mortgagee's option, require attornment by Tenant). Any such mortgagee or trustee may elect to give the rights and interest of Tenant under this Lease priority over the lien of its mortgage or trust deed. In the event of each such election and upon notification by such mortgagee or trustee to Tenant to that effect, the rights and interest of Tenant under this Lease shall be deemed to be subordinate to, or have priority over, as the case may be, the lien of said mortgage or trust deed, whether this Lease is dated prior to or subsequent to the date of said mortgage or trust deed. Within fifteen (15) days of Landlord's request, Tenant shall execute and deliver whatever commercially reasonable instruments may be required for such purposes, including a subordination, non-disturbance and attornment agreement in Mortgagee's customary form.

XVII. SURRENDER

17.0 Surrender.

Upon the termination of this Lease, whether by forfeiture, lapse of time, or otherwise, or upon the termination of Tenant's right to possession of the Leased Premises, Tenant will at once surrender and deliver up the Leased Premises, together with all improvements thereon, to Landlord in the same condition that existed on the Commencement Date, reasonable wear and tear excepted. Said improvements shall include all plumbing, lighting, electrical, heating, cooling and ventilating fixtures and equipment, and other articles of personal property used in the operation of the Leased Premises (as distinguished from operations incident to the business of Tenant; articles of personal property incident to Tenant's business are hereinafter referred to as "**Trade Fixtures**," including, but not limited to, tools, molds, machines and material handling equipment and all display room fixtures). All additions, hardware and all improvements, temporary or permanent, in or upon the Leased Premises placed there by Tenant which do not constitute Trade Fixtures shall become Landlord's property and shall remain upon the Leased Premises upon such termination of this Lease by lapse of time or otherwise, without compensation or allowance or credit to Tenant, unless Landlord requests their removal in writing at or before the time set forth in Section 9.5 of this Lease. If Landlord so requests removal of said additions, hardware, non-Trade Fixtures, and improvements, and Tenant does not make such removal at said termination of this Lease, or within fifteen (15) days after such request, whichever is later, Landlord may remove and, as the case may be, either dispose of or deliver the same to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost of such removal, delivery, and warehousing to Landlord on demand or, with respect to non-Trade Fixtures and any other items so removed, Landlord may treat such as having been conveyed to Landlord with this Lease as a Bill of Sale, without further payment or credit by Landlord or Tenant.

17.1 Removal of Tenant's Property.

Upon the termination of this Lease by lapse of time, Tenant shall remove Tenant's Trade Fixtures; provided, however, that Tenant shall repair any injury or damage to the Leased Premises which may result from such removal. If Tenant does not remove Tenant's Trade Fixtures from the Leased Premises prior to the end of the term, however ended, Landlord may, at its option, remove the same and deliver the same to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost of such removal (including the repair of any injury or damage to the Leased Premises resulting from such removal), delivery and warehousing to Landlord on demand, or Landlord may treat such Trade Fixtures as having been conveyed to Landlord with this Lease as a Bill of Sale, without further payment or credit by Landlord or Tenant.

17.2 Holding Over

In the event that Tenant or any party claiming under Tenant shall not immediately surrender the Premises in the condition required by Section 17.0, on the date of the expiration or termination of the Lease Term, Tenant shall become a tenant by the month at one hundred fifty percent (150%) of the monthly rent in effect during the last month of the Lease Term, plus one hundred percent (100%) of all additional rent in effect during the last month of the Lease Term (subject to increases thereafter as determined by Landlord in accordance with the provisions of this Lease). Said monthly tenancy shall commence on the first day following the expiration of the Lease Term. As a monthly tenant, Tenant shall be subject to all the terms, conditions, covenants and agreements of this Lease, except as to the amount of the monthly rent, which shall be in the amount specified in this Section. As a monthly tenant, Tenant shall give to Landlord at least thirty (30) days' written notice of any intention to quit the Premises, and Tenant shall be entitled to thirty (30) days' written notice to quit the Premises, unless an Event of Default exists hereunder, in which event Tenant shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being hereby expressly waived. Tenant shall also pay to Landlord all damages sustained by Landlord resulting from retention of possession by Tenant, including the loss of any proposed subsequent tenant for all or any portion of the Premises. Force majeure is not an excuse to holding over.

XVIII. DEFAULT/REMEDIES

18.0 Defaults.

Tenant agrees that any one or more of the following events shall be considered events of default as said term is used herein:

(a) Tenant is adjudged an involuntary bankrupt, or a decree or order approving, as properly filed, a petition or answer filed against Tenant asking reorganization of Tenant under the Federal bankruptcy laws as now or hereafter amended, or under the laws of any state, is entered, and any such decree or judgment or order shall not have been vacated or set aside within ninety (90) days from the date of the entry or granting thereof; or

(b) Tenant files or admits the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant or purporting to be pursuant to the Federal bankruptcy laws as now or hereafter amended, or Tenant institutes any proceedings or shall give its consent to the institution of any proceedings for any relief of Tenant under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangements, composition, or extension; or

(c) Tenant makes any assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Tenant or any of the property of Tenant; or

(d) The Leased Premises are levied upon by any revenue officer or similar officer; or

(e) A decree or order appointing a receiver of the property of Tenant is made, and such decree or order is not vacated or set aside within thirty (30) days from the date of entry or granting thereof; or

(f) Tenant shall abandon the Leased Premises during the Term for a period in excess of one (1) month during which time Tenant is also in default pursuant to subparagraph (g) below; or

(g) Tenant fails to make when due (i) any payment of rent, or (ii) any other payment required to be made by Tenant hereunder, and such failure continues for ten (10) days after Tenant's receipt of written notice of such failure, provided Landlord shall not be required to provide more than two (2) such written notices to Tenant in any calendar year; or

(h) Tenant fails to contest the validity of any lien or claimed lien and to give security to Landlord to insure payment thereof, or having commenced to contest the same and having given such security, fails to prosecute such contest with diligence or fails to have the same released and satisfy any judgment rendered thereon, and such default continues for thirty (30) days after notice thereof in writing to Tenant; or

(i) Tenant fails to keep, observe, or perform any of the other covenants or agreements herein contained to be kept, observed, and performed by Tenant, and such failure continues for such thirty (30) days after receipt of notice thereof in writing to Tenant and is not remedied by Tenant within such thirty (30) days.

(j) Tenant fails to surrender the Premises upon termination of this Lease, unless the Landlord accepts rent and allows the Lease to convert month to month as set forth in Section 17.2 of this Lease.

Upon the occurrence of any one or more of such events of default, Landlord may, at its election, terminate this Lease, or terminate Tenant's right to possession only, without terminating the Lease. Upon termination of the Lease, or upon any termination of Tenant's right to

possession without termination of the Lease, Tenant shall surrender possession and vacate the Leased Premises immediately, and deliver possession thereof to Landlord, and hereby grants to Landlord the full and free right, without demand or notice of any kind to Tenant (except as hereinabove expressly provided for), to enter into and upon the Leased Premises in such event, with or without process of law, and to repossess the Leased Premises as Landlord's former estate, and to expel or remove Tenant and any others who may be occupying or within the Leased Premises, without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom, and without relinquishing Landlord's rights to rent or any other right given to Landlord hereunder or by operation of law. To this end, but not in limitation of the foregoing, Tenant hereby, to the extent permissible under applicable law, authorizes and empowers any attorney of any court of record to appear for it in an amicable action of ejectment of the Leased Premises to be entered by the Prothonotary, and confess judgment therein in favor of Landlord against Tenant for the Leased Premises, and authorizes the issuance of a Writ of Possession with Writ of Execution for the costs. Upon termination of the Lease, Landlord shall be entitled to recover, as damages, all rent and other sums due and payable by Tenant on the date of termination, plus (1) an amount equal to the total unpaid rent and other sums provided herein to be paid by Tenant for the residue of the stated term hereof, and (2) the cost of performing any other covenants to be performed by Tenant. If Landlord elects to terminate Tenant's right to possession only, without terminating the Lease, the Landlord may, at Landlord's option, enter into the Leased Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession thereof as hereinabove provided, without such entry and possession terminating the Lease or releasing Tenant, in whole or in part, from Tenant's obligations to pay the rent hereunder for the full term or from any other of its obligations under this Lease. Landlord may, but shall be under no obligation so to do, relet all or any part of the Leased Premises for such rent and upon such terms as shall be satisfactory to Landlord (including the right to relet the Leased Premises for a term greater or lesser than that remaining under the Lease term, the right to relet the Leased Premises as a part of a larger area, and the right to change the character or use made of the Leased Premises). For the purpose of such reletting, Landlord may decorate or make any repairs, changes, alterations, or additions in or to the Leased Premises that may be necessary or convenient. If the Leased Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the expenses of such decorations, repairs, changes, alterations, additions, the expenses of such reletting, and the collection of the rent accruing therefrom (including, but not by way of limitation, reasonable attorneys' fees and brokers' commissions), to satisfy the rent and other charges herein provided to be paid for the remainder of the Lease term, Tenant shall pay to Landlord on demand any deficiency, and Tenant agrees that Landlord may file suit to recover any sums falling due under the terms of this Section from time to time. Subsequent to Tenant's default, if Landlord relets the Leased Premises for a net rental in excess of the rental provided for herein, then Tenant shall be entitled to a refund of any rental paid by Tenant under this paragraph as accelerated rent, exclusive of Landlord's costs due to such default.

18.1 Remedies Cumulative.

No remedy herein or otherwise conferred upon or reserved to Landlord shall be considered to exclude or suspend any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute, and every power and remedy given by this Lease to Landlord may be exercised from time to time and so often as occasion may arise or as may be deemed expedient.

18.2 No Waiver.

No delay or omission of Landlord to exercise any right or power arising from any default shall impair any such right or power or be construed to be a waiver of any such default or any acquiescence therein. No waiver of any breach of any of the covenants of this Lease shall be construed, taken, or held to be a waiver of any other breach, or as a waiver, acquiescence in, or consent to any further or succeeding breach of the same covenant. The acceptance by Landlord of any payment of rent or other charges hereunder after the termination by Landlord of this Lease or of Tenant's right to possession hereunder shall not, in the absence of agreement in writing to the contrary by Landlord, be deemed to restore this Lease or Tenant's right to possession hereunder, as the case may be, but shall be construed as a payment on account, and not in satisfaction of damages due from Tenant to Landlord.

18.3 Duty to Mitigate.

Landlord shall have a duty to mitigate its damages.

XIX. MISCELLANEOUS

19.0 Estoppel Certificates.

Tenant shall at any time and from time to time upon not less than ten (10) business days' prior written request from Landlord execute, acknowledge, and deliver to Landlord, in form reasonably satisfactory to Landlord and/or Landlord's mortgagee, a written statement certifying (if true) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that Landlord is not in default hereunder, the date to which the rental and other charges have been paid in advance, if any, and such other accurate certification as may reasonably be required by Landlord or Landlord's mortgagee, and agreeing to give copies to any mortgagee of Landlord of all notices by Tenant to Landlord. It is intended that any such statement delivered pursuant to this subsection may be relied upon by any prospective purchaser or mortgagee of the Leased Premises and their respective successors and assigns.

19.1 Landlord's Right to Cure.

Landlord may, but shall not be obligated to, cure any enumerated default by Tenant under this Lease after the expiration of any applicable notice and cure periods (specifically including, but not by way of limitation, Tenant's failure to obtain insurance, make repairs, or satisfy lien claims); and whenever Landlord so elects, all reasonable, customary and actually incurred costs and expenses paid by Landlord in curing such default, including, without limitation, attorneys' fees, shall be so much additional rent due on the next rent date after such payment together with interest at a rate equal to two (2%) percent per annum in excess of the prime rate of interest of as published in the Money Rates section of the Wall Street Journal on the date of such advance, from the date of the advance to the date of repayment by Tenant to Landlord.

19.2 Amendments Must Be in Writing.

This Lease is the entire understanding of the parties. None of the covenants, terms, or conditions of this Lease, to be kept and performed by either party, shall in any manner be altered, waived, modified, changed, or abandoned except by a written instrument, duly signed by both parties and delivered to each party.

19.3 Notices.

All notices to or demands upon Landlord or Tenant, desired or required to be given under any of the provisions hereof, shall be in writing. Any notices or demands from Landlord to Tenant shall be deemed to have been duly and sufficiently given if a copy thereof has been mailed by United States registered or certified mail in an envelope properly stamped and addressed to Tenant as follows:

Pennsylvania Cyber Charter School
652 Midland Avenue
Midland, PA 15059

Attention: _____

or at such address as Tenant may theretofore have furnished by written notice to Landlord, and any notices or demands from Tenant to Landlord shall be deemed to have been duly and sufficiently given if mailed in an envelope properly stamped and addressed to Landlord as follows:

MOXIE SEVEN LLC
2955 West 17th Street,
Suite 1
Erie, PA 16505

Attention: Michelle Griffith-Aresco

or at such other address as Landlord may theretofore have furnished by written notice to Tenant. The effective date of such notice shall be two (2) days after delivery of the same to the United States Postal Service.

19.4 Memorandum of Lease.

Neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provisions shall make this Lease null and void at Landlord's election.

19.5 Time of Essence.

Time is of the essence of this Lease, and all provisions herein relating thereto shall be strictly construed.

19.6 Relationship of Parties.

Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership, or of joint venture by the parties hereto, it being understood and agreed that no provision contained in this Lease, nor any acts of the parties hereto, shall be deemed to create any relationship other than the relationship of Landlord and Tenant.

19.7 Captions.

The captions of this Lease are for convenience only and are not to be construed as part of this Lease and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof.

19.8 Severability.

If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

19.9 Law Applicable.

This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law principles.

19.10 Covenants Binding on Successors.

All of the covenants, agreements, conditions, and undertakings contained in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, successors, and assigns of the respective parties hereto, the same as if they were in every case specifically named, and wherever in this Lease reference is made to either of the parties hereto, it shall be held to include and apply to, wherever applicable, the heirs, executors, administrators, successors, and assigns of such party. Nothing herein contained shall be construed to grant or confer upon any person or persons, firm, corporation, or governmental authority, other than the parties hereto, their heirs, executors, administrators, successors, and assigns, any right, claim, or privilege by virtue of any covenant, agreement, condition, or understanding in this Lease contained.

19.11 Landlord Means Owner.

The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners at the time in question of the fee of the Leased Premises, and in the event of any transfer or transfers of the title to such fee, Landlord herein named (and in case of any subsequent transfer or conveyances, the then grantor) shall be automatically freed and relieved, from and after the date of such transfer or conveyance, of all liability as respects the performance of any covenants or

obligations on the part of Landlord contained in this Lease thereafter to be performed; provided that any funds in the hands of such Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be turned over to the grantee, and any amount then due and payable to Tenant by Landlord or the then grantor under any provisions of this Lease, shall be paid to Tenant.

19.12 Lender's Requirements.

Intentionally deleted.

19.13 Signs.

Tenant shall be permitted, at its own expense, to install signage above its storefront and on the west side of the Building (so long as it does not diminish the amount of signage permitted for other tenants or occupants of the Building or Center) of the Leased Premises, subject to Landlord's approval, not to be unreasonably withheld or delayed, as to the size, color, type, type of installation, and location. Tenant shall also be permitted, at its own expense, to install its sign panels on the Center's pylon sign(s) subject to Landlord's approval as stated herein. Tenant's sign panel area on the Center's pylon sign(s) shall be as depicted on **Exhibit F** hereto. Tenant's signage shall comply with all municipal ordinances. Upon the expiration or termination of this Lease, Tenant shall remove the exterior Building sign(s) and pylon sign panels and repair any damage caused by the removal of such signage

19.14 Arbitration.

Intentionally deleted.

19.15 Authority to Execute.

The persons executing this Lease on behalf of Tenant and Landlord covenant and warrant to Landlord that (a) they are duly authorized to execute this Lease on behalf of Tenant and Landlord, and (b) if Tenant and/or Landlord is a corporation, the execution of this Lease has been duly authorized by the Board of Directors of Tenant and/or Landlord and the execution of this Lease does not require any vote or consent of the shareholders of Tenant and/or Landlord.

19.16 Brokers.

Each party covenants, warrants and represents that there was no broker instrumental in consummating this Lease, other than Greg Rubino, Passport Realty, representing the Tenant and Daryl Terella, Passport Realty, representing the Landlord, and that no conversations or prior negotiations were had with any broker concerning the renting of the Leased Premises. Each party agrees to hold the other harmless against any claims for brokerage commission arising out of any conversations or negotiations had by such party with any broker.

19.17 Default Waiver.

No waiver of any default of Tenant hereunder shall be implied from any omission by Landlord to take any action on account of such default if such default persists or be repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions.

19.18 Force Majeure.

Whenever a period of time is provided in this Lease for any party to do or perform any act or thing, such party shall not be liable or responsible for any delays due to strikes, lockouts, actions of labor unions, casualties, condemnation, acts of God, fire, acts of the elements, war, riot, inability to procure or a general shortage of labor, equipment, materials or supplies in the open market, failure of transportation, court orders, laws or governmental regulation or control or other causes beyond the reasonable control of such party, and in any such event, said time period shall be extended for the amount of time such party is so delayed; provided however, the foregoing shall not apply to financial inability.

19.19 Landlord Default.

Landlord shall be in default of this Lease if Landlord fails to perform any obligation required to be performed hereunder and such failure continues for thirty (30) days after the date Landlord receives written notice from Tenant; provided, however, that if the nature of such default requires more than 30 days to cure, Landlord shall not be in default so long as Landlord commences such cure with the 30-day time period and diligently pursues the same to completion. In the event of an uncured default by Landlord, Tenant shall have the right to do one or more of the following: (a) cure the default and offset the next monthly installment(s) of rent in an amount equal to the reasonable cost of the cure; or (b) avail itself of any and all remedies available pursuant to law or in equity.

XX. EXCULPATORY CLAUSE

20.0 Exoneration of Individuals.

Owners of Landlord or any natural person who may hold an interest in any successor in interest, shall not be subject to personal liability in respect to any of the covenants or conditions of this Lease. Tenant shall look solely to the equity of Landlord in the property and the rents, issues and profits derived therefrom for the satisfaction of the remedies of Tenant in the event of a breach by Landlord. It is mutually agreed that this Article is and shall be considered an integral part of the aforesaid Lease.

XXI. BANKRUPTCY

Intentionally deleted.

[Signature Page Follows]

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

WITNESS:

MOXIE SEVEN LLC

By: **GRIFFITH ELECTRIC CO.,**
its Management Company

_____ By: Michelle Griffith-Aresco
Michelle Griffith-Aresco, its President

ATTEST:

THE PENNSYLVANIA CYBER CHARTER SCHOOL

Secretary

By: Edward Feder
Name: EDWARD FEDER
Its: BOYD PRESIDENT

SCHEDULE OF EXHIBITS

Exhibit A: Depiction of Leased Premises

Exhibit B: Depiction of Property

Exhibit C: Depiction of Center

Exhibit D: Reciprocal Easement Agreements

Exhibit E: Work Letter

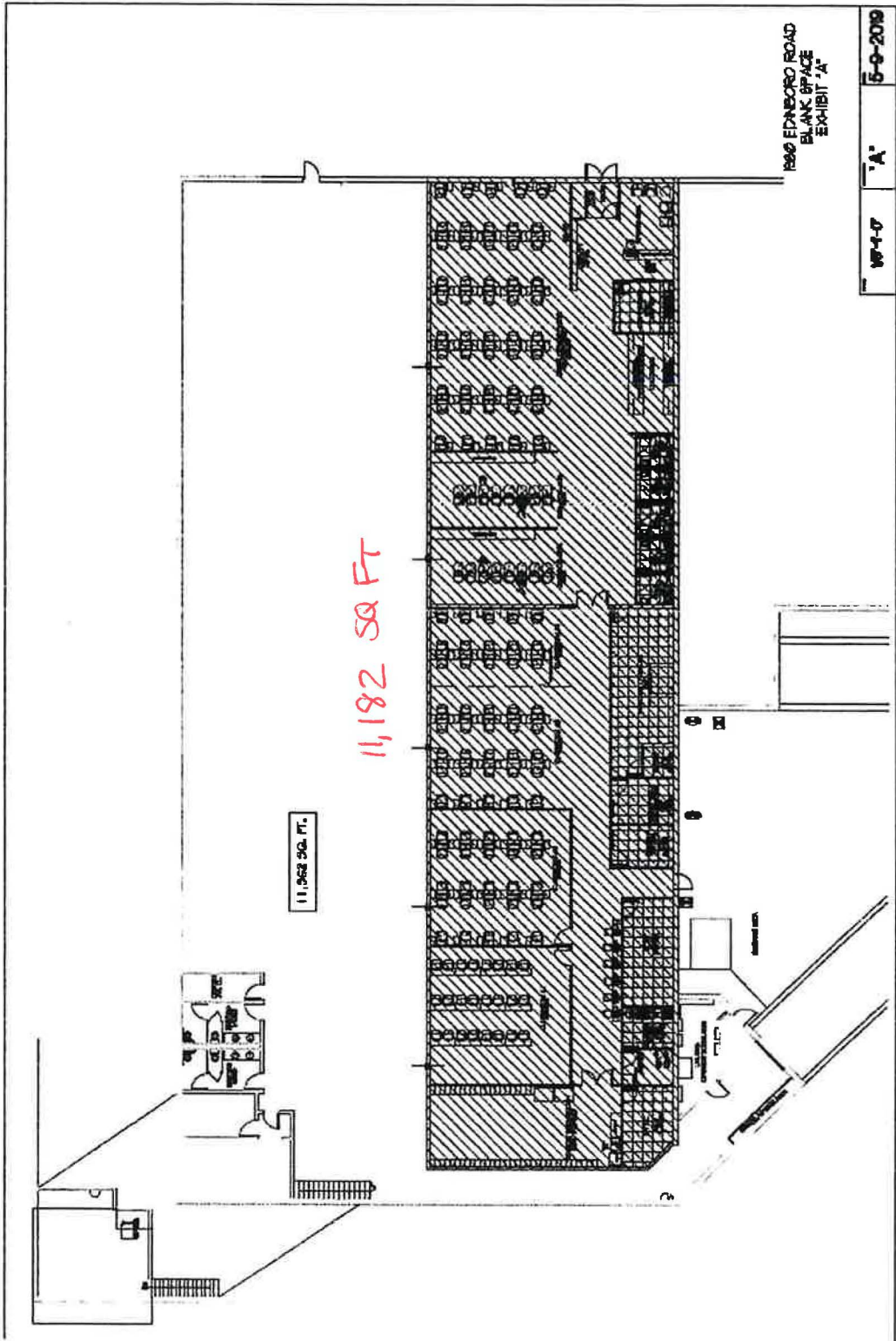
Exhibit F: Pylon Sign(s)

ATTACHED AS EXHIBITS A-F

EXHIBIT A

Depiction of Leased Premises

[Attached]



1866 EDNOR ROAD
BLANK SPACE
EXHIBIT "A"

WP-4-0 "A" 5-9-2019

11,562 SQ. FT.

11,182 SQ. FT.

EXHIBIT B

Depiction of Property

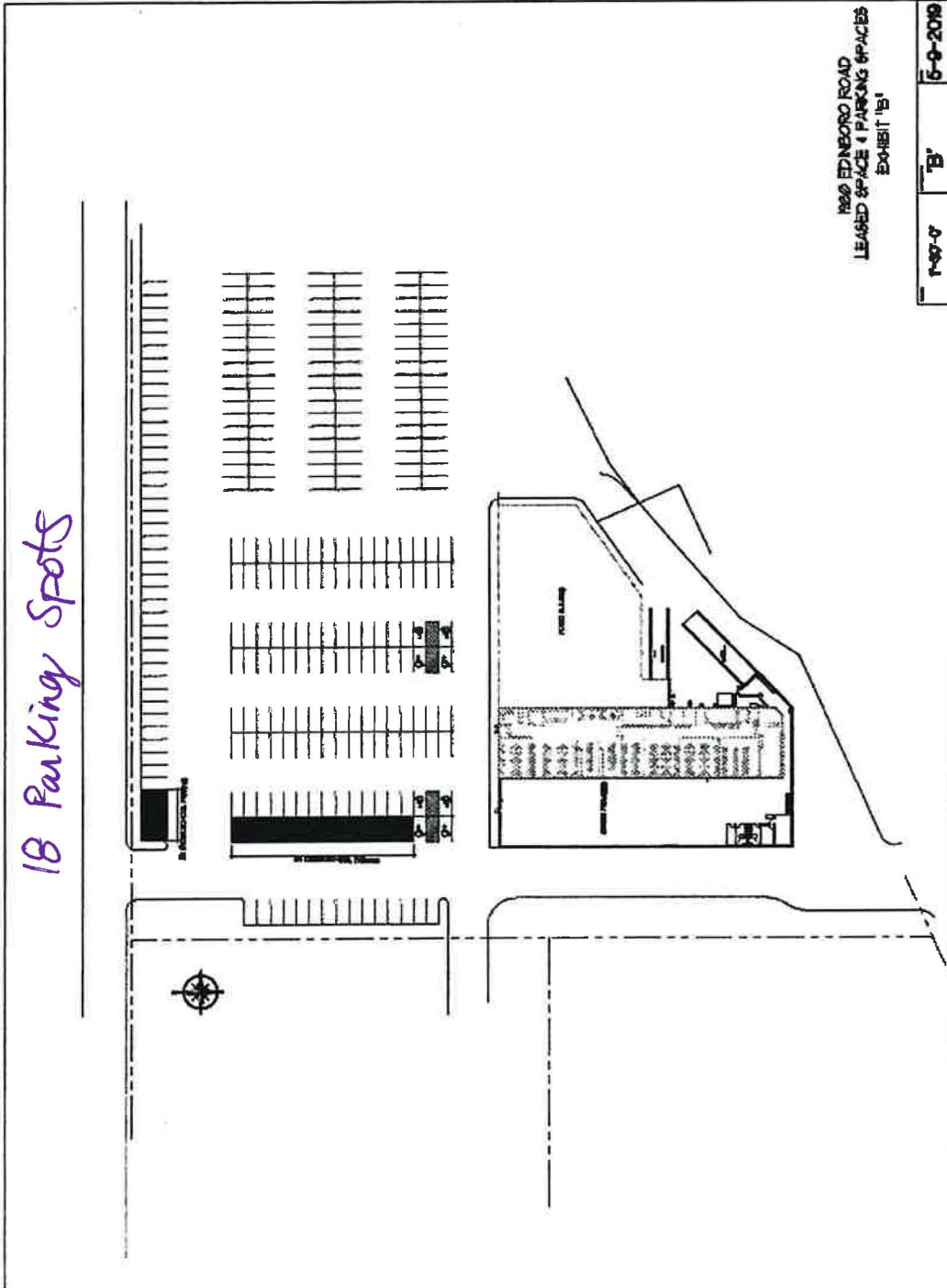
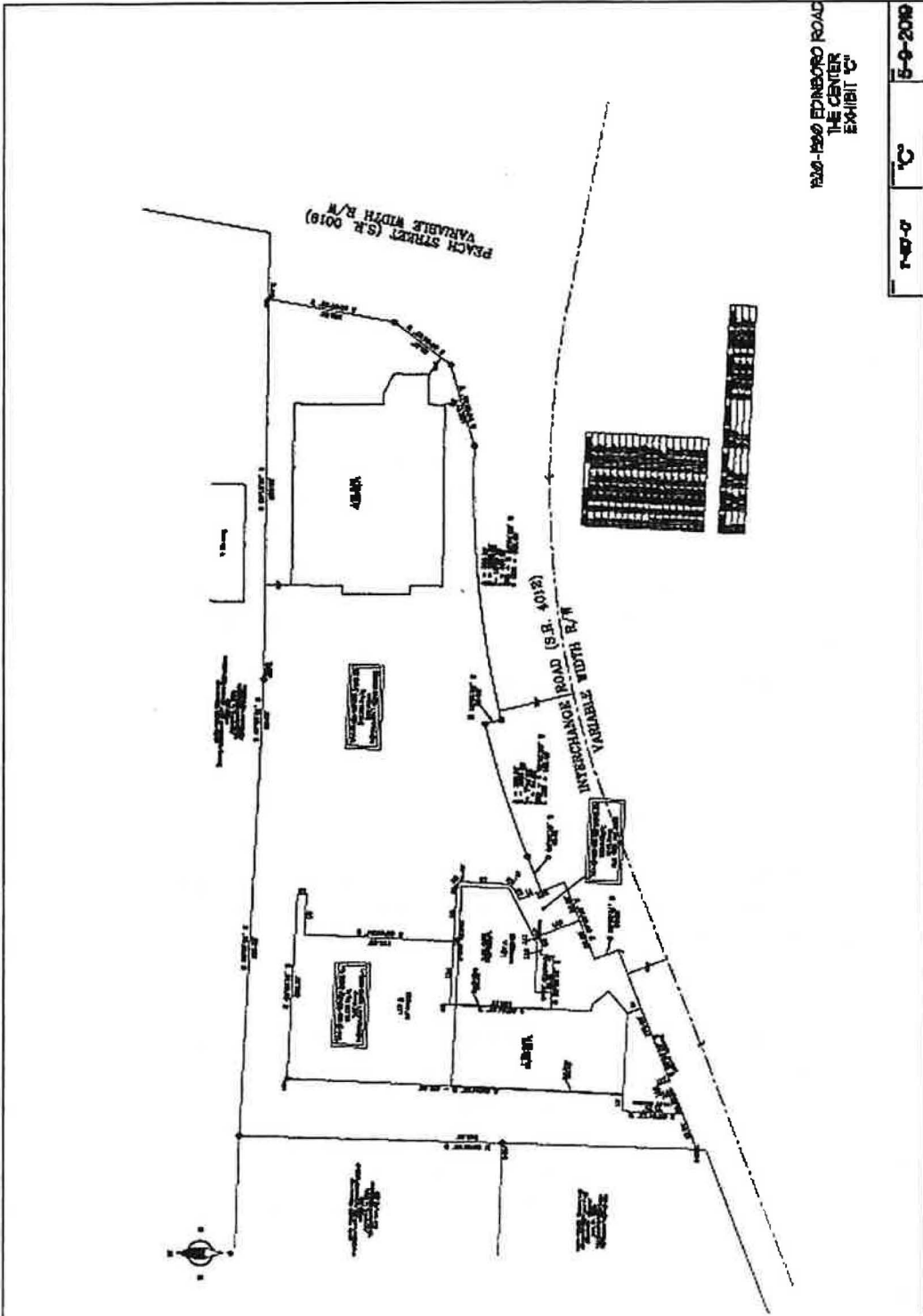


EXHIBIT C

Depiction of Center

[Attached]



1820-1860 EDINBORO ROAD
THE CENTER
EXHIBIT C

1820-1860

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EXHIBIT D

Exclusive Uses

The following are exclusive or prohibited uses affecting the Demised Premises:

I. RECIPROCAL EASEMENT AND RESTRICTIVE COVENANT AGREEMENT

Dated May 15, 2000

For purposes of the following, the Demised Premises is subject to any provisions affecting the "Owner" or "Toys":

Section 6.02 (a) No Owner shall use, lease, sublease or permit the use of any portion of its Parcel for the operation of any business which creates strong, unusual or offensive odors, fumes, dust or vapors; or which is a public or private nuisance; or which emits noise or sounds which are objectionable due to intermittence, beat, frequency, shrillness or loudness; or which creates a hazardous condition or creates unusual fire, explosive or other hazards. No Owner shall use, lease, sublease or permit the use of any portion of its Parcel as or for warehousing; a mobile home park or trailer court (except that this provision shall not prohibit the temporary use of construction trailers); a funeral parlor, a catering hall; an auditorium, an automobile repairs shop (mechanical or otherwise); provided, however, the foregoing shall not prohibit the operation of an auto parts retail store, or a tire, batteries and accessories retail store, which performs automotive repairs or services; for a fire sale, bankruptcy sale (unless pursuant to court order) or auction house operation; a concert hall; a night club; a discotheque or dancehall; a gymnasium, a car wash; an off-track betting or other gambling establishment; a so-called "head shop"; a junk or stock yard; a place of worship; a massage parlor; industrial, manufacturing, or residential purposes; as a pawn shop; as a hotel/motel or for the dumping or disposing of garbage or refuse.

Section 6.03 No Owner shall use, lease, rent or permit its Parcel, or any portion thereof, to be used or occupied as an adult book store or a store selling or exhibiting pornographic materials. As used herein, "an adult book store or a store selling or exhibiting pornographic materials" shall include without limitation, a store displaying for sale or exhibition books, magazines or other publications containing any combination of photographs, drawings or sketches of a sexual nature, which are not primarily scientific or educational (collectively "Adult Magazines"), or a store offering for exhibition, sale or rental video cassettes or other medium capable of projecting, transmitting or reproducing, independently or in conjunction with another device, machine or equipment, an image or series of images, the content of which is unrated or has been rated "NC-17" by the Motion Picture Rating Association, or any successor thereto, or which is advertised or otherwise designated as being "X" rated or having "X" rated content ("Adult Videos").

Section 6.04 (b) For so long as that certain lease by and between Erie Pet and Petco Animal Supplies, Inc. remains in effect, Toys shall not use, lease, rent or permit Toy's Parcel, or any portion thereof to be used as a pet supply store, including, but not limited to, the sale of pet food and supplies, live animals, daytime grooming, veterinary services and related goods and services.

II. RECIPROCAL EASEMENT AND OPERATION AGREEMENT

Dated September 20, 2004

For purposes of the following, the Demised Premises is subject to any provisions affecting "OD":

Sections 3.01 (g) Neither Toys nor OD will use, lease or sublease or permit the use of any portion of the Property, or any future expansion thereof for:

- i. the operation of any business which creates strong, unusual or offensive odors, fumes, dust or vapors, is a public or private nuisance, emits noise or sounds which are objectionable due to intermittence, beat, frequency, shrillness or loudness, creates a hazardous condition or creates unusual fire, explosive or other hazards, or is used, in whole or in part, as or for warehousing, the dumping or disposing of garbage or refuse;
- ii. as a theater of any kind; a sports or other entertainment viewing facility (whether live, film, audio/visual or video);
- iii. an automobile body and fender shop; an automobile repairs shop (mechanical or otherwise) or any business servicing motor vehicles, including, without limitation, any quick lube oil changes services, tire centers, or any business storing or selling gasoline or diesel fuel at retail or wholesale;
- iv. a restaurant serving meals primarily for on premises consumption; a catering or banquet hall; a fast food restaurant incorporating a coin or token operated amusement room;
- v. a so-called "head shop"; a bowling alley; a billiard parlor; an off-track betting establishment; a bingo parlor or any establishment conducting games of chance;
- vi. a sales office, showroom or storage facility for boats, automobiles or other vehicles; an establishment serving alcoholic beverages for on premises consumption;
- vii. a pawn shop; a dry cleaning or laundry plat (except for an establishment which receives and dispenses items for launder and/or dry cleaning but the processing of such items is done elsewhere); a funeral parlor; a massage parlor; a nightclub, discotheque or

dancehall; a recycling facility or stockyard; a health spa, exercise facility, or similar type business; a recreation or fitness facility, whether providing exercise, recreational, educational, entertainment or fitness activities, or any combination of the foregoing; a skating rink; a car wash; a health or medical clinic or rehabilitative facility; a house of worship; an amusement arcade, game room or amusement center; a business selling so-called "second hand goods"; a junkyard; a so-called "flea market" or

viii. for office (excluding office space used in connection with and ancillary to a permitted retail use hereunder); industrial, factory, manufacturing, warehouse (excluding any warehousing incidental to the operation of permitted retail uses hereunder), hotel/motel or residential purposes; or

ix. as a training or educational facility, which for purposes hereof shall be a beauty school, barber school, reading room, place of instruction, or any other activity, facility, school or program catering primarily to students or trainees as opposed to shoppers.

(h) Nothing contained in this Agreement shall prohibit a pet supply store, such as Petco, from operating its business including, without limitation, the provision of ancillary services including, without limitation, pet training classes and veterinary clinics.

(i) Neither Toys nor OD shall lease, rent or permit any premises on the Property to be used or occupied as an adult book store or a store selling or exhibiting pornographic materials. As used herein, "an adult book store or a store selling or exhibiting pornographic materials" shall include without limitation, a store displaying for sale or exhibition books, magazines or other publications containing any combination of photographs, drawings or sketches of a sexual nature, which are not primarily scientific or educational (collectively "Adult Magazines"), or a store offering for exhibition, sale or rental video cassettes or other medium capable of projecting, transmitting or reproducing, independently or in conjunction with another device, machine or equipment, an image or series of images, the content of which is unrated or has been rated "NC-17" by the Motion Picture Rating Association, or any successor thereto ("Adult Videos"); provided, however, the foregoing shall not prohibit a Parcel, or portion thereof, from being used or occupied for the following: (i) a video store or video department offering for sale or rental a full line of video cassettes, which shall be permitted to sell or rent Adult Videos, provided the number of such Adult Videos does not exceed, in the aggregate, ten percent (10%) of the total number of all video cassette titles offered for sale or rental at such store, said Adult Videos shall be discreetly displayed in a manner consistent with stores normally located in first class retail shopping centers in community in which the Property is located; or (ii) a national chain store offering for sale, a general line of magazines, books and other publications, which shall be permitted to sell Adult Magazines provided the number of said Adult Magazines does not exceed, in the aggregate, ten percent (10%) of the total number of all books, magazines and publications (excluding daily newspapers) sold at such store, or (iii) a first class book store such as "Barnes and Noble" or "Borders."

(j) OD shall not operate all or any part of the OD Parcel, or lease or sublease all or any part of the OD Parcel, or permit all or any part of the OD Parcel to be occupied (whether by OD, a tenant, sublessee, assignee, licensee or other occupant), primarily as a modern retail toy and/or children's specialty store or primarily as a prenatal/newborn/infant/juvenile specialty store.

EXHIBIT E

WORK LETTER

Dated: March __, 2019

TO: THE PENNSYLVANIA CYBER CHARTER SCHOOL

Re: Suite B at 1980 Edinboro Road, Erie, PA (the "Leased Premises"), as more particularly described in the certain Lease of even date herewith by and between Tenant and Landlord hereafter defined

Ladies and Gentlemen:

Concurrently herewith, you ("**Tenant**") and the undersigned ("**Landlord**") are entering into a lease of the Leased Premises (the "**Lease**"). The capitalized terms used herein but not defined shall have the same meanings as set forth in the Lease and this Work Letter shall be a part of and subject to the Lease. Landlord and Tenant agree that their respective rights and obligations with respect to the construction of the Leased Premises are as follows:

1. **Construction of Tenant Improvements.**

1.01 The Landlord shall construct certain following improvements in the Leased Premises (the "**Tenant Improvements**") substantially in accordance with the preliminary schedule of improvements set forth in the attached Schedule A (the "**Landlord's Work**"), which shall be updated with sufficient detail and finalized after the date of the Lease (the "**Plans and Specifications**") at its cost and expense (up to the amount of the Allowance pursuant to Section 2 hereunder) using standard grade materials. The Tenant Improvements shall be constructed and Landlord's Work performed diligently; in a good and workmanlike manner; in compliance with all applicable laws and regulations; and, in accordance with the Plans and Specifications. The parties acknowledge that the Plans and Specifications require Tenant selections after the Effective Date, and the cost of Tenant Improvements shall deviate accordingly. Landlord shall allow Tenant to inspect materials and the Work at reasonable times; inspect construction records of the Landlord pertaining to the Tenant Improvements and Work; and consult with personnel of the Landlord on matters relating to the Tenant Improvements and construction thereof. To accomplish this, Tenant shall have a representative present at the weekly or bi-weekly on-site construction meetings, or, at Tenant's election, available by telephone for weekly or bi-weekly construction meetings. Notwithstanding the foregoing, Landlord shall have the sole right to control all aspects of the performance of the Tenant Improvements, including without limitation the

scheduling and sequencing of all Work and engaging of an architect, engineers and contractors for completion of the Work.

1.02 Subject to Landlord's right to require Tenant to remove the Tenant Improvements as established in Section 9.5 of the Lease, Tenant agrees that title to all Work performed in the Leased Premises and materials installed in the Leased Premises shall immediately vest in Landlord, except Tenant shall retain title to all removable trade fixtures installed in the Leased Premises by Tenant, subject however, to the terms of the Lease.

1.03 Tenant shall pay Landlord a supervisory fee equal to five percent (5%) of the total cost of Tenant Improvements. Such fee shall be paid out of the Allowance defined in Section 2 of this Work Letter.

2. **Tenant Allowance.**

Notwithstanding anything contained herein to the contrary, Landlord shall provide Tenant with a **build-out allowance ("Allowance")** in an amount up to Three Hundred Ninety One Thousand Three Hundred Seventy and 00/100 Dollars (**\$391,370.00**), which is Thirty Five and 00/100 Dollars (**\$35.00**) per rentable square foot, with the amount of the Allowance applying to the costs of the Tenant Improvements, including, without limitation, the costs of cabling, supervisory fees, and obtaining necessary permits and government approvals, and excluding fixtures, furniture and equipment. Any build-out cost in excess of the Allowance shall be paid by Tenant within fifteen (15) days after Landlord sends an invoice therefor. Payment of the Allowance shall be made by Landlord directly to the contractor(s) performing Landlord's Work. To the extent that the Allowance exceeds the cost of the Tenant Improvements, Landlord shall not be obligated to compensate Tenant for such difference or apply the remaining amount to Rent, and Tenant shall have no right to the unused portion of the Allowance.

3. **Extra Work.**

The parties anticipate that Tenant may designate substitutions, additional work or extra materials after commencement of the Tenant Improvements (collectively the "**Extra Work**"). Such Extra Work, including architectural, engineering, electrical and mechanical drawings or services, (i) shall be at Tenant's cost and expense (subject to the Allowance) and shall not delay commencement of the Term (Landlord's Work and any Extra Work shall collectively be referred to as "**Work**"); (ii) shall be practicable and consistent with existing physical conditions in the Building, shall not impair the structural integrity of the Building, and shall be subject to Landlord's prior written approval; (iii) shall not impair Landlord's ability to perform any of Landlord's obligations under the Lease or any other lease of space in the Building; (iv) shall not affect any portion of the Building other than the Leased Premises or be incompatible with the Building systems; and (v) shall comply with all applicable building laws and ordinances. Notwithstanding anything contained herein, Landlord shall not be required to approve said Extra Work, provided that it acts in a reasonable manner. In the event Tenant requests Landlord to approve Extra Work and if Landlord accedes to such requests, Tenant shall provide Landlord all plans and

specifications for Landlord's approval. Within five (5) days after Tenant's submission of such plans and specifications, Landlord shall, in writing, either accept or reject the Extra Work.

4. **Completion.**

Upon Substantial Completion of the Tenant Improvements, Landlord shall make the Leased Premises available for inspection by Tenant, which inspection shall occur within five (5) business days after Landlord provides notice to Tenant that the Leased Premises are available for inspection. For the purposes of this Lease, "**Substantial Completion**" shall occur upon once all certificates of occupancy and all other governmental approvals, if any, required for occupancy of the Leased Premises by Tenant. Within ten (10) days after the inspection, Tenant will submit to Landlord a list of items remaining to be completed in Tenant's reasonable discretion (the "**Punchlist**"). Upon Substantial Completion of the Tenant Improvements, Landlord shall deliver the Leased Premises to Tenant and Tenant will accept the same, subject to Landlord's completion of the Punchlist items, such delivery and acceptance to be memorialized by execution of the Commencement Date Rider, which shall set forth the Commencement Date of the term of the Lease. Tenant shall not unreasonably withhold, delay or condition execution of the Commencement Date Rider. Upon execution by both Landlord and Tenant, the Commencement Date Rider shall be incorporated herein and become a part of this Lease. Landlord shall complete the Punchlist within thirty (30) days after receipt thereof from Tenant.

5. **Possession.**

Landlord will deliver and Tenant will take possession of the Leased Premises upon Substantial Completion. Notwithstanding the foregoing, there shall be no abatement of rent if Landlord's Work is not substantially complete due to any Extra Work, special equipment, fixtures or materials, changes, alterations or additions requested by Tenant; any delay of Tenant in submitting plans, supplying information or approving or authorizing plans, specifications, estimates or other matters, or any other act or omission of Tenant.

6. **Landlord's Entry After Completion.**

At any time after Substantial, Landlord may enter the Leased Premises to complete unfinished details of the Work and such entry by Landlord, its agents, servants, employees or contractors for such purpose shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of rent, or relieve Tenant from any of its obligations under the Lease, or impose any liability upon Landlord or its agent.

[Signature Page Follows]

LANDLORD:

WITNESS:

MOXIE SEVEN LLC

By: **GRIFFITH ELECTRIC CO.,**
its Management Company

David A. Law - Denton By: Michelle Griffith-Aresco (SEAL)
Michelle Griffith-Aresco, its President

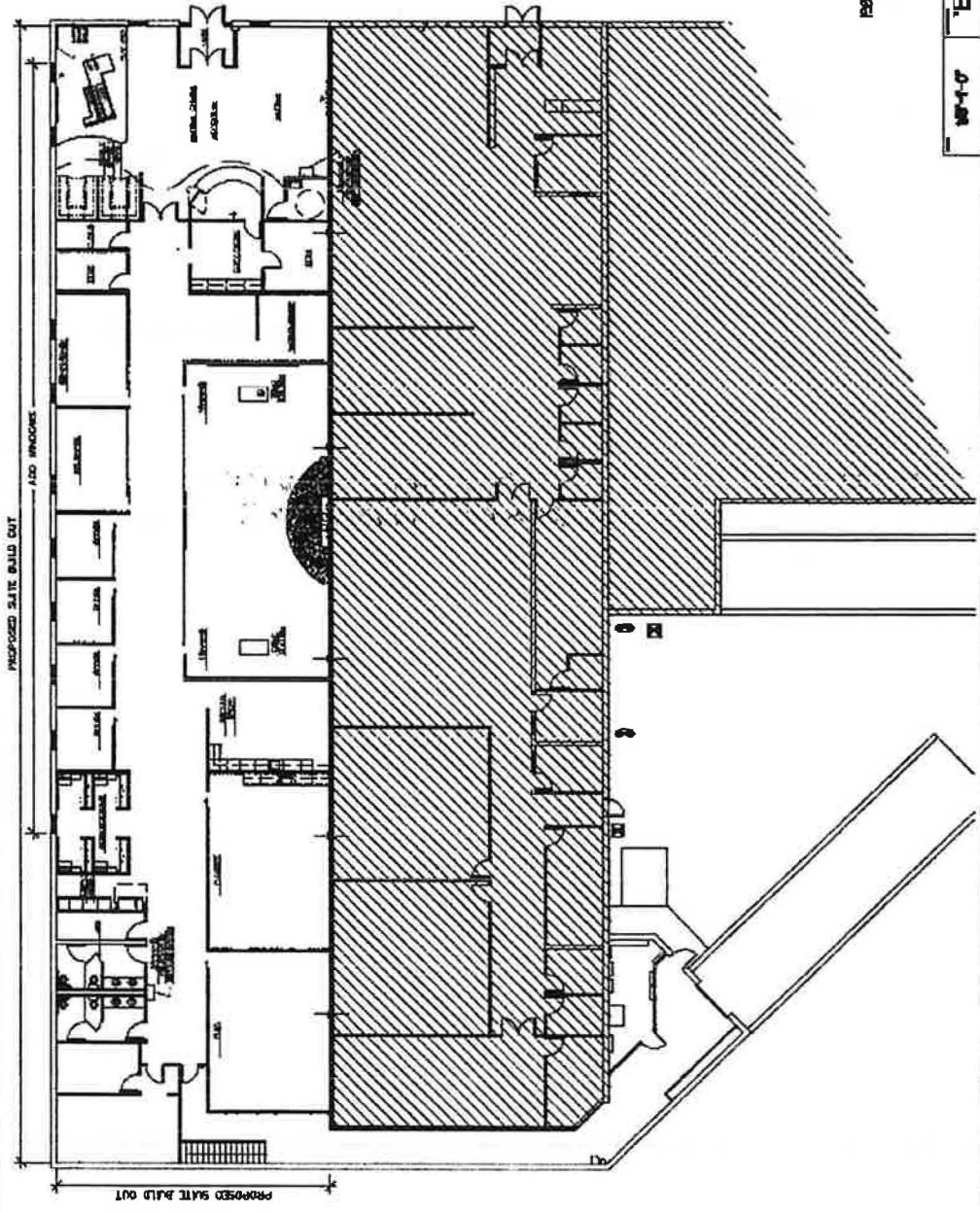
TENANT:

ATTEST:

THE PENNSYLVANIA CYBER CHARTER SCHOOL

Eric Loewfel
ERIC LOEWEL

By: Edward Elder (SEAL)
Name: EDWARD ELDER
Its: BOARD PRESIDENT



1990 EDINBORO ROAD
 WORK SCHEDULE
 EXHIBIT #2

15-4-07 15-0-2019

Schedule A
(to Work Letter)

	Manufacturers	Key	Colors
Paint Selections			
All paint color selections by Sherwin Williams to be selected and verified by PA Cyber			
Walls	Paint	Ceiling	SW#7055 - Pure White
	Paint		TBD
	Paint		TBD
	Paint		TBD
	Paint		TBD
Casework			TBD
Plastic Laminate Casework (All cabinets Kitchen and Copy / Work / transition space)	Formica/#8841-WR/	Kitchen Cabinets	color: White Ash/finish: Woodbrush
Counter Top (All locations)	Solid Surface/Corian	Kitchen Countertop	Natural Gray
Hardware Pulls (All locations)		Kitchen	Brushed Chrome
Flooring / Base			
CPT – Carpet (Type 1 noted on finish schedule)	Shaw-Central Line Tile	Offices	Style #:5T176/Color 72516/scenic citron Pattern to be determined by PA Cyber
CPT – Carpet (Type 2 noted on finish schedule)	Shaw – Uncover Tile	Conference Room	Style #:5T150/Color 50150/pewter/herringbone pattern
LVT	Karndean WP313		Ignea
Porcelain Floor Tile / base	Crossville 12" x 12" Porcelain Floor Tile / Base 4" x 12" Bullnose	Men and Women Toilet Rooms	"Vista Americana" / color: Foothills #AV182
Grout	Custom Building Products	Men and Women Toilet Rooms	#10 Antique White
Rubber Base	Johnsonite - Reveal		Icicle – 4 ½"
Miscellaneous			
Tile Backsplash (As shown on drawings)	Moonlight Subway Glass Wall Tile	Lunchroom/Break Area / Copy /	MNLTGRY0206

(This may be discontinued and we need to select a similar option)		Coffee	
Ceiling Tile and Grid	Armstrong – Ultima (Beveled Tegular – 15/16” grid)	Where Noted on drawings	White

Notes:

1. Tenant requests walkthrough of space prior to final painting to determine final paint locations, and locations of accent walls to verify overall paint color selections
2. Contractor shall provide pricing for one (1) accent wall per space. Final locations and colors to be selected by Tenant during walkthrough as noted above.
3. Client uses Simplex access control system and this would need to be coordinated with PA Cyber
4. PA Cyber has a keying system the we use and that should be coordinated with PA Cyber
5. PA Cyber does not have standards for bathroom toilet, sink, kitchen sink, or bathroom or kitchen fixtures.
6. Nextwall brand to be used for glass wall system with black metal finish
7. Data closet will need an exhaust fan and door undercut
8. All additions or changes to the plans and specifications after execution of the Lease shall be subject to Landlord reasonable approval

EXHIBIT F

Pylon Sign(s)

See attached.



Sales • Service • Installations

Kent Bartlett - 814.392.7082
 Kent@BartlettSignsErie.com

Walt Bartlett - 814.866.5341
 Walt@BartlettSignsErie.com

Michael Long - 814.882.1771
 Mikel@BartlettSignsErie.com

Bartlett Signs
 5148 Peach St. #328
 Erie, PA 16509

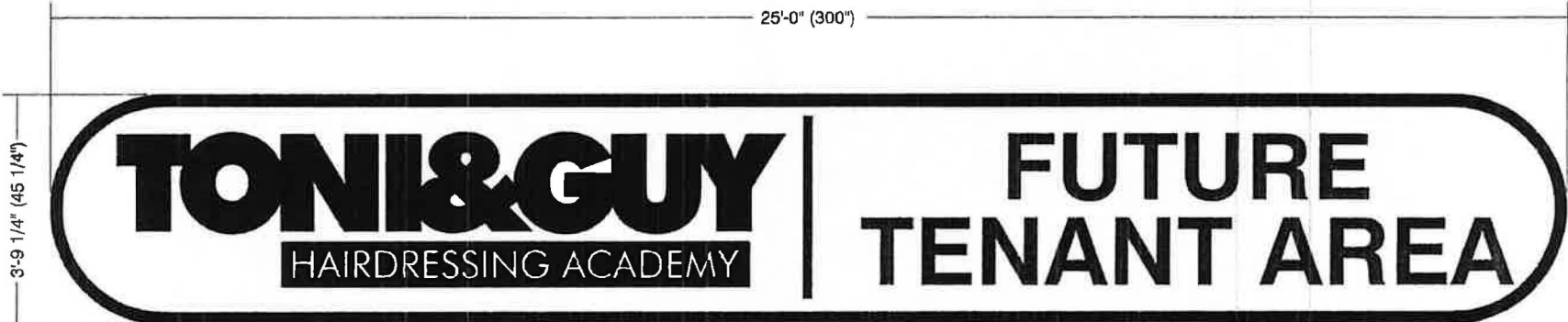
Fax - 814.520.6433

BartlettSignsErie.com

Customer: Tonl & Guy	Job: Roadside Identification	Date: 03.11.2019	Drawn By: MDB
Sales Rep: Kent Bartlett	Sign Type: Replacement Flex Face	Scale: 3/8" = 1'-0"	Drawing #: TG-2019-3

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Page 2 of 2



(2) Replacement Flex Faces

- (1) Existing 45 1/4" x 300" Cabinet
- 40 1/2" x 295 1/4" VO
- (2) New White Flex Faces
- 20 1/4" x 132 1/2" Black Logo Copy
- 8 7/8" x 92 3/4" Black Rectangle with 5 3/4" White Logo Copy
- 36" x 2" Red Vertical Divider Stripe
- 40 1/2" x 146 1/2" Open Area for Future Tenant



Sales • Service • Installations

Kent Bartlett - 814.392.7082
Kent@BartlettSignsErie.com

Walt Bartlett - 814.866.5341
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Erie, PA 16509

Fax - 814.520.6433
BartlettSignsErie.com

Customer: Toni & Guy	Job: Roadside Identification	Date: 03.11.2019	Drawn By: MDB
Sales Rep: Kent Bartlett	Sign Type: Replacement Flex Face	Scale: 3/8" = 1'-0"	Drawing #: TG-2019-3

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Page 1 of 1

LEASE AGREEMENT

**ARTICLE I
FUNDAMENTAL LEASE PROVISIONS; EXHIBITS**

SECTION 1.01. Fundamental Lease Provisions for the Premises Located At

Creekside Plaza
1700 South Atherton Street, State College, PA 16801

The Premises leased is also shown in Exhibit "A" attached hereto.

("Premises" or demised or leased "Premises" for the purpose of this Lease is that certain space designated by Landlord and Tenant as the area to be occupied by the Tenant pursuant to the terms of this Lease.)

("Property", for the purposes of this Lease shall mean the Building or Buildings, Shopping Center, Structure or Structures, Storeroom, Land, Site or other Real Property including Common Areas, if any, and other appurtenances comprising the leased Premises or of which the leased Premises is a part), hereinafter referred to as the "Property".

SECTION 1.02. Date of Lease:

(The date both parties have executed the lease) hereinafter referred to as the "Effective Date"

SECTION 1.03. Landlord:

Keystone Real Estate Group, LP as agents for Owners

SECTION 1.04. Street Address of Landlord:

Telephone

E-mail

444 E. College Avenue, Suite 560
State College, PA 16801

814-237-0311

aprigle@kreglp.com

Mailing Address of Landlord:

444 E. College Avenue, Suite 560
State College, Pa. 16801

SECTION 1.05. Tenant:

**The Pennsylvania Cyber Charter School
Attn: Matthew Schulte
652 Midland Avenue
Midland, PA 15059**

SECTION 1.06. Address of Tenant and others specified for notice: See Section 1.05.

SECTION 1.07.

Telephone (724) 643-1180

E-mail(s) of Tenant: matthew.schulte@pacyber.org

SECTION 1.08. Initial Term of Lease:

Five (5) Years, Beginning on or before Seventy-five (75) days from, Possession Date, which shall be defined as the date the premises are available for construction after landlord demolition and space presentation in broom swept "vanilla shell" condition and ending Sixty (60) months or five years after rent commencement.

SECTION 1.09. Base Rent:

\$4,056.00 payable monthly (\$48,672.00 annually) for five (5) years or sixty (60) months from rent commencement date with the first seven (7) months abated.

SECTION 1.10. Percentage Rent

Not Applicable (N/A)

SECTION 1.11. Options

Early Tenant termination right effective the end of year three or thirty sixth (36th) month from date of tenant occupancy and rent commencement. Tenant to provide landlord advance written notice ninety (90) days prior to end of year three or thirty sixth (36th) month. Tenant penalty for early lease termination is \$28,392.00 payable at end of thirty sixth (36th) month.

Three (3) renewal periods for a term of 5 years each.

SECTION 1.12. Option Rent

If exercised by tenant rent shall increase annually after the end of lease year 5 by the Consumer Price Index (CPI-U).

SECTION 1.13. Security Deposit: \$4,056.00

SECTION 1.14. Tenant Expenses for utilities and services, taxes, insurance, common area and other charges, NNN lease Tenant shall be responsible for the utilities and services marked (☑) and as long as the lease shall remain in full force and effect,

Common Area Utilities and Services

- Electric – Pro-Rata Billed Quarterly
- Gas – Pro-Rata Billed Quarterly
- Water/Sewer – Pro-Rata Billed Quarterly
- Refuse Collection - Pro-Rata Billed Quarterly
- Pest Control Services – Pro-Rata Billed Quarterly
- Snow removal – Pro-Rata Billed Quarterly
- Lawn & shrubbery care – Pro-Rata Billed Quarterly
- Annual HVAC maintenance - – Pro-Rata Billed Annually
- Fire Safety Program License – Unit Specific Billed Annually
- Janitorial of Common Premises – Pro-Rata billed Quarterly

Tenant Space Utilities and Services Contracted Directly by Tenant

- | | |
|--|---|
| <input checked="" type="checkbox"/> Gas | <input checked="" type="checkbox"/> Cable – |
| <input checked="" type="checkbox"/> Electric | <input checked="" type="checkbox"/> Light Bulb Replacement |
| <input checked="" type="checkbox"/> Telephone & Internet - | <input checked="" type="checkbox"/> Janitorial of leased premises |

needed for restrooms or other purposes, heating, ventilation and air conditioning ("HVAC") distribution throughout the Demised Premises and Demised Premises-specific life safety equipment modifications.

ARTICLE III TERM; EXTENSION

Section 3.1. Term. The term of this Lease (the "Term") shall commence on August 1, 2015 (the "Rent Commencement Date"). The Term shall expire on July 31, 2020 (the "Expiration Date"). For the sake of clarity, if the Delivery Date occurs prior to August 1, 2015, Tenant may occupy the Demised Premises, free of Base Rent but otherwise subject to all terms set forth in this Lease, from such Delivery Date until August 1, 2015.

Section 3.2 Renewal Option.

(a) Exercise of Option. Provided that Tenant is not in default pursuant to any of the terms or conditions of this Lease, Tenant shall have the option (the "Option") to renew this Lease for one (1) additional five (5) year period (the "Option Period") for the period commencing on the date following the Expiration Date upon the terms and conditions contained in this Lease, except as otherwise provided in this Section 3.2. To exercise the Option, Tenant shall give Landlord written notice of its intent to exercise said Option not less than twelve (12) months prior to the date on which the Option Period which is the subject of the notice will commence (the "Extension Notice"). The Extension Notice shall be provided in accordance with Section 21.1 hereof. In the event that Tenant exercises its Option, this Lease will terminate in its entirety at the end of the Option Period and Tenant will have no further option to renew or extend the Term of this Lease.

(b) Determination of Base Rent. The Base Rent for the Option Period shall be determined as follows:

(i) Landlord and Tenant will have sixty (60) days after Landlord receives the Extension Notice within which to agree on the fair market rental value of the Demised Premises as of the commencement date of the Option Period, as defined in subsection (ii) below. If they agree on the Base Rent within sixty (60) days, they will amend this Lease by stating the Base Rent.

(ii) If Landlord and Tenant are unable to agree on the Base Rent for the Option Period within sixty (60) days, Tenant may either forego exercise of the Option, or elect to exercise the Option with the Base Rent for the Option Period being equal to the lesser of (i) the fair market rental value of the Demised Premises as of the commencement date of the Option Period as determined in accordance with subsection (iii) hereof, and (ii) two percent (2.00%) more than the highest Base Rent set forth in the Lease Summary above, plus Additional Rent. As used in this Lease, the "fair market rental value of the Demised Premises" means what a landlord under no compulsion to lease the Demised Premises, and a tenant under no compulsion to lease the Demised Premises, would determine as base rent (including initial monthly rent and rental increases) for the Option Period, as of the commencement of the Option Period, taking into consideration the uses permitted under this Lease, the quality, size, design and location of the Demised Premises, and the rent for comparable buildings located in Pittsburgh, Pennsylvania.

(iii) Within thirty (30) days after the expiration of the 60-day period set forth in subparagraph (ii) above, Landlord and Tenant shall each appoint one licensed real estate appraiser, and the two appraisers so appointed shall jointly attempt to determine and agree upon the then fair market rental value of the Demised Premises. If they are unable to agree, then each appraiser so appointed shall set one value, and notify the other appraiser, of the value set by him or her, concurrently with such appraiser's

receipt of the value set by the other appraiser. The two appraisers then shall, together, select a third licensed appraiser, who shall make a determination of the then fair market rental value, after reviewing the reports of the first two appraisers appointed by the parties, and after doing such independent research as he/she deems appropriate. The value determined by the third appraiser shall be the then fair market rental value of the Demised Premises. Landlord and Tenant shall be responsible for the cost of the appraiser each appoints and shall share equally in the cost of the third appraiser, if applicable.

ARTICLE IV ANNUAL BASE RENT AND SECURITY DEPOSIT

Section 4.1. Annual Base Rent; Lease Year Defined. Tenant covenants and agrees to pay to Landlord yearly minimum rent on the Demised Premises for each Lease Year (as defined below) of the Term of this Lease (the "Annual Base Rent" or the "Base Rent") in accordance with the schedule set forth in the Summary above, beginning on the Rent Commencement Date. "Lease Year" shall mean each successive twelve (12) month period during the Term, beginning on the Rent Commencement Date and concluding the last day of the twelfth (12th) consecutive calendar month thereafter.

Section 4.2. Payment of Annual Base Rent. Annual Base Rent shall be payable in equal monthly installments as set forth in Section 4.1 above and shall be due in advance without notice or demand and without setoff or deduction. Each monthly installment of Annual Base Rent shall be due on the first day of each calendar month during the Term. In the event that the final Lease Year of the Term does not consist of twelve (12) complete calendar months, the Annual Base Rent shall be adjusted for such Lease Year by multiplying the Annual Base Rent by that fraction whose numerator is the number of days in said Lease Year and whose denominator is 365. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of Base Rent to be applied toward the first payment of Base Rent due in accordance with the schedule set forth in the Summary above.

Section 4.3. Security Deposit. Concurrently with Tenant's execution of the Lease, Tenant shall deposit with Landlord a security deposit in the amount of Ten Thousand Five Hundred Sixty Seven and 17/100 Dollars (\$10,567.17) (the "Security Deposit") as security for the full and faithful performance of each and every term, covenant and condition of this Lease. Landlord may use, apply or retain the whole or any part of the Security Deposit as may be reasonably necessary (a) to remedy any default by Tenant under this Lease, (b) to repair damage to the Demised Premises caused by Tenant, (c) to perform Tenant's obligations under the Lease, in the event Tenant fails to do so, (d) to reimburse Landlord for the payment of any amount which Landlord may reasonably spend or be required to spend by reason of a default by Tenant, and (e) to compensate Landlord for any other loss or damage which Landlord may suffer by reason of a default by Tenant. Should Tenant faithfully and fully comply with all of the terms, covenants and conditions of this Lease, within thirty (30) days following the expiration of the Term, the Security Deposit or any balance thereof shall be returned to Tenant or, at the option of Landlord, to the last assignee of Tenant's interest in this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds and Tenant shall not be entitled to any interest on such deposit. If Landlord so uses or applies all or any portion of said deposit, within five (5) days after written demand therefor Tenant shall deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the full extent of the above amount, and Tenant's failure to do so shall be a default under this Lease. In the event Landlord transfers its interest in this Lease, Landlord shall transfer the then remaining amount of the Security Deposit to Landlord's successor in interest, and thereafter Landlord shall have no further liability to Tenant with respect to such Security Deposit. In the event that the Security Deposit is applied by Landlord for any purpose, Landlord shall provide written documentation to Tenant substantiating any such application.

SECTION 1.15. Tenant's Share of Expenses

Charges Applicable to Strip Center Solely – 15.846% = (2,704sf/17064sf). Charges shall include Taxes, Insurance, Common Area Gas, Pest Control, Annual HVAC maintenance, etc. not included in Entire Center calculations.

Charges Applicable to Entire Center – 9.904% = (2,704/ 27,301). Charges shall include Common Area Electric, Grounds Maintenance (including landscaping), Snow Removal and Trash.

SECTION 1.16. Tenant's Permitted Uses of the leased Premises: Office/Educational use (Type "E" classification) for Charter School related activities. Landlord confirms the intended use of the premises is permitted under the current established zoning definitions and no variance requests will be required for issuance of an Occupancy permit.

SECTION 1.17. Tenant's Insurance Requirements; \$2,000,000 commercial liability insurance

SECTION 1.18. Late Fees, Date Late Fees Apply & Charges: Late Fees of 1% of the outstanding monthly balance will be assessed monthly after the 6th day of the month.

SECTION 1.19. Landlord and Tenant Required Improvements for Leased Premises – Landlord acknowledges Tenant plans to renovate the Premise based upon code approved drawings and specifications provided by Tenant to Landlord for approval, which will not be unreasonable withheld. If Tenant requests additional improvements during the lease term, Tenant will provide drawings and written request for Landlord's approval not to unreasonable withheld. No improvements shall be made without Landlord's written acceptance of Tenant's proposal. Freestanding furniture and business equipment shall be allowed without Landlord approval.

SECTION 1.20. Possession Date: Tenant may occupy the Premise for construction with a signed lease and Landlord and Code approved plans on or the date the premises are available after landlord demolition and space presentation in broom swept "vanilla shell" condition. Tenant may occupy the Premise for business after providing Landlord with evidence of approval of the State College Borough Zoning permit and Centre Region Code Occupancy Permit.

SECTION 1.21.



Lease - Commencement Date Upon execution by both parties and the earlier of tenant occupancy or seventy-five 75 days following tenants possession date for construction of the premises.

Rent - Commencement Date Seventy-five 75 days following tenant's possession date for construction of the premises. plus a Free Rent Period of Seven (7) months.

SECTION 1.22. Other Provisions - Not Applicable.

SECTION 1.23. Exhibits - Exhibits attached hereto are incorporated into this Lease and are to be construed as an integral part of this Lease. There are 3 (three) Exhibits attached to this lease:

- Exhibit A – Leased premises description.
- Exhibit B – Tenant and Landlord Work Description
- Exhibit C – Guarantee and Surety Agreement

Initials 
Initials 

**ARTICLE II
GRANT - TERM**

SECTION 2.01. Grant.

(a) In consideration of the rents, covenants and agreements herein reserved and contained on the part of the Tenant to be observed and performed, Landlord does hereby leave and demise unto Tenant and Tenant rents from Landlord the Premises identified in Article I, Section 1.01.

(b) The Premises is rented subject and subordinate to all encumbrances, easements, reciprocal easements if any, restrictions, contractual obligations, covenants, zoning laws and governmental or any other regulations now or hereafter affecting the Property or demised Premises.


(c) Tenant has reviewed Exhibit "A" and agrees that the square footage in the lease accurately reflects the square footage they are leasing. Tenant will have the right to perform a field measurement in order to verify the proposed square footage of the premises.

SECTION 2.02. Term. The term of this Lease shall be as set forth in Article I, Section 1.08 starting upon execution by both parties and the earlier of tenant occupancy or seventy-five 75 days following tenants possession date for construction of the premises. Rent Commencement Date, Seventy-five 75 days following tenants possession date for construction of the premises, plus a Free Rent Period of Seven (7) months, and shall continue in full force and effect until the expiration date set forth, unless sooner terminated pursuant to the terms of this Lease. "On or Before" shall be defined as 75 days following possession date, which is anticipated on or before October 1, 2014 or date the premises are available after landlord demolition and space presentation in broom swept "vanilla shell" condition. "On or Before" shall be defined as a day for day equivalent to the possession date plus 75 days. Notwithstanding the fact that the term of this Lease shall commence on the Lease Commencement Date, which date will be a date subsequent to the execution of this Lease by Landlord and Tenant, both Landlord and Tenant agree that all the provisions of this Lease shall be in full force and effect commencing upon the Effective Date of this Lease, but Tenant shall not have an obligation to pay rent and other charges until the Rent Commencement Date, to be Seventy-five 75 days following tenants possession date for construction of the premises, plus a Free Rent Period of Seven (7) months.

SECTION 2.03. Delay. Tenant agrees that, in the event of the inability of Landlord for any reason to deliver possession of the Premises to Tenant on the "Possession Date", Landlord shall not be liable for any damage thereby nor shall such inability affect the validity of this Lease or the obligations of Tenant hereunder, provided that the delay in delivery of the Premises for tenant construction does not exceed thirty (30) days from the date the premises are vacated by the current tenant. In the event of Landlord delay in delivering Premise to tenant, the Rent Commencement Date shall be extended for each day the Premise delivery to Tenant is delayed by Landlord. In the event Landlord shall not have delivered possession of the Premises within forty five (45) days from the scheduled Possession Date, then Tenant, at its option to be exercised within ten (10) days after the end of said forty five (45) day period, may terminate this Lease by written notice, and upon Landlord's return of any monies previously deposited by Tenant if any, the parties shall have no further rights or liabilities to each other.

SECTION 2.04. Intentionally Omitted.

SECTION 2.05. Option to Renew. Landlord hereby grants to Tenant the option to extend the term of this Lease as specified in Article I, Section 1.11 and 1.12, such extended term to begin upon the expiration of the initial term of this Lease or the previous extended term, and all the conditions, covenants and provisions of this Lease (with the express exception of the rent) shall apply to such extended term; provided, however, that if Tenant is in default at any time during the term of this Lease, any option to extend the term of this Lease beyond the then-current term shall become immediately null and void with notice to Tenant or if the Tenant is in default on the date the extended term is to commence, the extended term shall not commence and this Lease shall automatically expire at the end of the existing term. If Tenant does not wish to exercise this Renewal Option, Tenant shall give Landlord notice in writing of Tenant's intentions at least one hundred eighty (180) days prior to the expiration of the current term of this Lease.

Initials 
Initials

**ARTICLE III
RENTAL**



SECTION 3.01. Rental. Beginning on the Rent Commencement Date, Tenant agrees to pay to Landlord minimum rent for the leased Premises in the amounts set forth in Article I, Section 1.09 and any increases in rent pursuant to the terms of this Lease. All payments of rent shall be made by Tenant to Landlord without notice, demand or offset, at the address of Landlord specified in Section 1.04 or such other place as the Landlord may from time to time designate. The minimum rent shall be payable in advance in the monthly installments on the first day of each calendar month commencing as above; provided, however, if the payment of rent is to commence other than the first day of a calendar month, monthly payments in the above amount shall commence on the first day of the next succeeding calendar month and rent for the period of less than a full month shall be prorated on the basis of a thirty-day month and shall be payable on the first day of the period. All rent shall be payable in current legal tender of the United States of America, as the same is then, by law, constituted. Any extensions of time for the payment of any installment of rent shall not be a waiver of the rights of Landlord to insist on having all subsequent payments of rent made at the time herein specified. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent stipulated in this Lease shall be deemed other than a payment on account of the earliest rent due, nor shall any endorsement or statement on any check or on any letter accompanying any check or payment as rent be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to its right to recover the balance of the rent or to pursue any other remedy provided for in this Lease.

SECTION 3.02. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to, processing and accounting charges, and late charges, which may be imposed on Landlord by the terms of any mortgage. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within the time period specified in Section 1.18, Tenant shall pay to Landlord the late charge and interest at the rate specified in Section 1.18. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted herein.

SECTION 3.03. Additional Rent. All sums of money or charges required to be paid by Tenant under this Lease, whether or not the same are designated "additional rent," shall for all purposes hereunder be deemed and shall be paid by Tenant as rent. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless, if not paid when due, be collectible as rent due hereunder and shall bear interest and late charges from the due date thereof to the date of payment at the rate specified in Section 1.18.

SECTION 3.04. Prepaid Rent. Tenant has paid to Landlord with the execution of this Lease the sum specified in Section 1.13 representing rent, in advance, receipt of which is hereby acknowledged.

SECTION 3.05. Security Deposit. Concurrently with Tenant's execution of this Lease, Tenant shall deposit with Landlord the sum set forth in Section 1.13. Said sum shall be held by Landlord as a security deposit for the faithful performance by Tenant of all terms, covenants and conditions of this Lease to be kept and performed by Tenant during the term hereof. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of rent and any of the monetary sums due herewith, Landlord may (but shall not be required to) use, apply or retain all or any part of this security deposit for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall, within ten (10) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount; Tenant's failure to do so shall be a material breach of this Lease. Landlord shall not be required to keep this security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. Landlord's obligation with respect to any security deposit is that of a debtor and not as a trustee; consequently, such sums may be commingled with rental receipts and no interest shall accrue thereon. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant (or, at

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Initials 

Landlord's option, to the last assignee of Tenant's interests hereunder) at the expiration of the Lease term and after Tenant has vacated the Premises. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said deposit to Landlord's successor in interest (who shall hold the same under identical terms to those set forth in this Section) whereupon Tenant agrees to release Landlord from all liability for the return of such deposit or any accounting therefor.

SECTION 3.06. Consumer Price Index. Intentionally deleted

**ARTICLE IV
TAXES**

SECTION 4.01. Payment of Taxes. Tenant shall pay the Landlord, as additional rent, all taxes as hereinafter defined applicable to the leased Premises (both those assessed on the Commencement Date and all increases thereto during the term of this Lease, or of this Lease as extended). Tenant's obligations under this Section shall be prorated as of the Commencement Date and as of the date of expiration or termination of this Lease.

SECTION 4.02. Definition of Taxes. As used herein, the term "taxes" shall mean any form of assessment both ordinary or extraordinary, general or special of any kind whatsoever, foreseen or unforeseen, license fee, levy, penalty or tax (other than inheritance or estate taxes), imposed by any authority or governmental agency having the direct or indirect power to tax, including any municipality, county, state or federal government, or any school, agricultural, parking, lighting, business, drainage or other improvement district or authority thereof, any assessments (including without limitation, assessments for public improvements or benefits whether or not commenced or completed during the term of this Lease); and water charges and/or sewer rents and/or other governmental charges and/or taxes which may be assessed, levied, confirmed or imposed on or in respect of, or be a lien upon, the land and/or improvements thereon of the Property or demised Premises; and any franchise, or other tax or assessment, however designated, levied, assessed or imposed against such land and/or improvements to the extent that the same shall be in lieu of and/or in addition to all or any portion of any item hereinabove set forth, and as against any legal or equitable interest of Landlord in the leased Premises or in the Property of which the Premises is a part, or any tax imposed in substitution, partially or totally, of any tax previously included within the definition of taxes, or any additional tax the nature of which was previously included within the definition of taxes.

SECTION 4.03. Joint Assessment - Payment. Tenant's proportionate share of taxes shall be the percentage set forth in Section 1.15 of Article I, of the total taxes billed Landlord for the tax parcel or parcels of the Property. The amount due Landlord under the provisions of this Section shall be at the discount amount. Tenant shall pay Landlord prior to the expiration of the discount period. In the event of nonpayment by Tenant of Tenant's portion of the taxes, Landlord shall have all the rights and remedies with respect thereto as Landlord has for the nonpayment of minimum rent. In addition, if Tenant fails to pay the taxes when due, Tenant shall pay all penalties set forth in the tax invoice and/or the monetary difference between the discounted tax invoice and the non discounted invoice to the Landlord, in addition to any late fees specified in this Lease.

SECTION 4.04. Personal Property Taxes.

(a) Tenant shall pay prior to delinquency any taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the leased Premises or elsewhere. When possible, Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord.

(b) If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

SECTION 4.05. Downtown Improvement District Tax. Tenant shall pay as additional rent the assessment and/or tax pro rata of the Downtown Improvement District as such tax is imposed within ten (10) days after Tenant's receipt of a statement therefore. Tenant and Landlord acknowledge that it is in the best interest of both parties to promote the economic vitality of the downtown sector of the Borough of State College. In the event that the Downtown Improvement District Tax is repealed and a successor organization is established for the purpose of promoting retailing and other services within the downtown

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sector of the Borough of State College, Tenant agrees to make timely application to and become a member of said successor organization and maintain that membership including the payment of all dues and other charges during the term of this Lease and any renewal thereof. Currently this Premise is outside the Downtown Improvements District therefore this section does not currently apply to Downtown Improvement District tax liability for Tenant.

ARTICLE V CONDUCT OF BUSINESS

SECTION 5.01. Use of Premises.

(a) Except as otherwise specifically provided herein, commencing on the Lease Commencement Date and thereafter for the balance of the term of this Lease, Tenant shall continuously occupy and use the demised premises solely for conducting the business specified in Section 1.16 of the Lease as the permitted use, and will not use or permit or suffer the use of the demised Premises for any other business or purpose. The authorization of the use of the Premises for the business purposes set forth in this Lease does not constitute a representation or warranty by Landlord that any particular use of the Premises is now or will continue to be permitted under applicable laws or regulations.

(b) Tenant shall not permit, allow or cause any of the following to be conducted in the demised Premise; any public or private auction, or any sale which would indicate to the public that Tenant is bankrupt, is going out of business, or has lost its lease. Tenant shall not use or permit any use of the demised Premises except in a manner consistent with the general high standards of merchandising in the geographic area, nor shall Tenant's advertising indicate or infer that Tenant is operating its business in a manner that is not consistent with the general high standards of merchandising in the Property or the community in which the property is located. Nothing in this Section shall affect or is intended to affect Tenant's pricing policies.

(c) Tenant shall operate and/or advertise the business operated at or from the demised Premise only under the name set forth in section 1.05 of this lease, unless and until the use of another name is permitted in writing by Landlord

(d) Tenant acknowledges that neither Landlord nor any agent or employee of Landlord has made any representation, promise, estimation or warranty as to the suitability of the Premises for the conduct of Tenant's business. Landlord represents that Tenant's use does not violate any other current tenant's use exclusions.

(e) Landlord acknowledges the Tenant's right to quiet enjoyment of the premises.

(f) As referenced in Section 1.16 Landlord confirms that this Office/Educational use (Type "E" Occupancy classification) is an acceptable use and in compliance with current zoning definitions within this municipality and, if following the required construction standard guidelines for this type use, will be granted both the necessary construction and occupancy permits. If unable to obtain the necessary permits after following the proper municipality procedures, tenant will have the right to terminate the lease at time of such denial or pursue a zoning variance whereby the construction timeline to complete the premises is subject to renegotiation.

(g) Landlord confirms there are no exclusivity clauses in any existing leases within the landlord controlled property that would forbid this type of use.

SECTION 5.03. Additional Use of the Premises. Tenant covenants and agrees that Tenant at its own cost and expense:

(a) Will keep all exterior and interior store front surfaces clean and will maintain the rest of the demised Premise and all corridors and loading areas immediately adjoining the demised Premise in a clean and orderly and sanitary condition and free of insects, rodents, vermin and other pests;

(b) Will replace promptly with glass of like kind and quality any plate glass or window glass of the demised Premise, which may become cracked or broken;

(c) Will not use or permit the use of any apparatus or sound reproduction or transmission or any musical instruments, in such a manner that the sound so reproduced, transmitted or produced shall be audible beyond the confines of the Premise, and will not use any other advertising medium, including without limitation flashing lights, or search lights which may be heard or experienced outside of the leased Premise;

(d) Will keep all mechanical apparatus free of vibration and noise, which may be transmitted beyond

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the confines of the demised Premises;

(e) Will not cause or permit objectionable odors to emanate or be dispelled from the demised Premises;

(f) Will not solicit business, distribute handbills or other advertising matter or hold demonstrations in the parking areas, Common Areas, or the Property;

(g) Will not permit the parking of delivery vehicles so as to interfere with the use of any driveway, walk, parking area, or other areas;

(h) Will comply with all laws and ordinances and all rules and regulations of governmental authorities and all recommendations of the Association of Fire Underwriters, Factory Mutual Insurance Companies, the Insurance Services Organization, or other similar body establishing standards for fire insurance ratings with respect to the use or occupancy of the Premises by Tenant, and will participate in drills at the request of Landlord and will supply, maintain, repair and replace for the demised Premises any fire extinguishers or other fire prevention equipment and safety equipment (including installation of approved hoods and ducts if cooking activity is conducted on the premises) required by the aforementioned rules, regulations and Association or other body in order to obtain insurance at the lowest available premium rate throughout the term of this Lease;

(i) Will not use the plumbing facilities for any other purpose than that for which they are constructed and will not permit any foreign substance of any kind to be thrown therein and the expense of repairing any breakage, stoppage, seepage or damage, whether occurring on or off the Premises, resulting from a violation of this provision by Tenant or Tenant's employees, agents or invitees shall be borne by Tenant. All grease traps and other plumbing traps shall be kept clean and operable by Tenant.

(j) Will, for fire protection, use waste baskets only constructed of metal. Wastebaskets made of plastic, wood, paper, straw, etc. are not permitted;

(k) Will, if the Premises are equipped with a sprinkler system, abide by all rules and regulations of Insurance Services and Insurance Carriers concerning the sprinkler system on the demised Premises. If there is an approved sprinkler system in the area covered under this lease, it is necessary that temperatures on the Premises under lease be maintained at not less than 60 degrees at all times;

(l) Will cause a professional pest extermination service to inspect and take necessary action to correct any undesirable situation with respect to insects, rodents and other pests in the demised Premises;

(m) Will keep all outside areas immediately adjoining the Premise including but limited to, sidewalks and loading docks free from ices and snow and Tenant hereby agrees that Tenant is solely liable for any accidents occurring on said outside areas due or alleged to be due to any accumulation of ice and snow;



(n) Will not place or cause to be placed within the demised Premise, any pay telephones, vending machines (except those for the exclusive use of Tenant's employees) or amusement devices of any kind without the prior written consent of Landlord;

(o) Will not display merchandise outside the demised Premises other than in community sales nor in any way obstruct the sidewalks adjacent thereto and shall not burn or place garbage, rubbish, trash, merchandise containers or other incidentals to the business outside the demised Premises. In the event Tenant places rubbish and refuse outside the demised Premises, Landlord may cause the same to be removed and Tenant shall pay the cost of such removal to Landlord upon demand;

(p) Will comply with all municipal and other governmental regulations, including those requiring removal of snow, ice, garbage, and refuse including separating trash or refuse and will indemnify and hold harmless Landlord against any claims for damages and any fines imposed because of failure of Tenant to comply with such regulations. Tenant further agrees not to use salt or other chemicals for snow removal, if such chemicals have a tendency to damage existing concrete walks and steps. If any such damage results from a failure on the part of the Tenant to comply with this requirement, Tenant will repair damage at its own expense;

(q) Will, if the demised Premises is used for the sale of commodities such as food or drinks which result in litter of paper cups, dishes, boxes and cans or bottles or other debris being discarded in or about the said demised Premises, the Tenant shall have the obligation to collect and dispose of such litter originating from Tenant's place of business throughout the Property and common areas;

(r) Will not install an automatic teller machine within the Premises or any part of the common areas

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SECTION 5.04. Installation and Screening of Exterior Equipment.

(a) If Landlord has granted permission for Tenant to use the roof or any other exterior location on the Property for the purpose of erecting a satellite dish or any other type of equipment, and Tenant uses the roof or any other exterior location on the Property for said purpose, Tenant, at its sole cost and expense, shall install any screening device requested by the Landlord at any time to ensure that the equipment and/or satellite dish cannot be viewed or heard by the public, and:

(1) Such equipment and screening device shall comply with all governmental and quasi-governmental laws, rules, and regulations, along with any requirements regarding the construction, maintenance, and removal of such device that Landlord may establish from time to time; and

(2) Prior approval of plans. Tenant shall obtain Landlord's prior written approval of all plans and specifications for installation of such equipment and screening device. Landlord may require such plans and specifications to be prepared by a professional.

(3) All such equipment and screening device hereafter installed by Tenant on the Property shall remain the property of Tenant and shall be removable by Tenant at the expiration or earlier termination of the term of this Lease.

(b) To limit visibility of the adjacent trailer park from inside the Premise, Landlord shall plant 3 or more Hemlock trees on the grassy bank between the dumpsters for the Premise and the dumpsters for the adjacent trailer park.

SECTION 5.05. Fire Prevention Systems.

(a) If the National Board of Fire Underwriters or any local Board of Fire Underwriters or any Federal, State or Local Insurance Exchanger (or other bodies hereafter exercising similar functions) shall require or recommend the installation of fire extinguishers, a "sprinkler system," fire detection and prevention equipment (including, but not limited to, smoke detectors and heat sensors), or any changes, modifications, alterations, or the installation of additional sprinkler heads or other equipment for any existing sprinkler, fire extinguishing system, and/or fire detection system for any reason, whether or not attributable to Tenant's use of the Premises or Alterations performed by Tenant; OR

(b) If any law, regulation, or order or if any bureau, department, or official of the Federal, State, and/or Municipal Governments (or other bodies hereafter exercising similar functions) shall require or recommend the installation of fire extinguishers, a "sprinkler system," fire detection and prevention equipment (including, but not limited to, smoke detectors and heat sensors), or any changes, modifications, alterations, or the installation of additional sprinkler heads or other equipment for any existing sprinkler system, fire extinguishing system, and/or fire detection system for any reason, whether or not attributable to Tenant's use of the Premises or Alterations performed by Tenant; OR

(c) If any such installations, changes, modifications, alterations, sprinkler heads, or other equipment become necessary to prevent the imposition of a penalty, an additional charge, or an increase in the fire insurance rate as from time to time, or by any fire insurance company as a result of the use of the Premises whether or not the same is a Permitted Use under this Lease, then Tenant shall, at Tenant's sole cost and expense, promptly make such installations within the Premises and make such changes, modifications, alterations, or the installation of additional sprinkler heads or other required or recommended equipment.

SECTION 5.06. Thermostat Control. It is to be understood that the leased premises is separately metered for both gas and electricity with separate internal thermostat controls to be used by tenant at tenants sole discretion for temperature and zone settings.

SECTION 5.07. Rules and Regulations

(a) Landlord reserves the right from time to time to adopt and promulgate rules and regulations applicable to the demised Premises and the Property and to amend and supplement such rules and regulations. Notice of such rules and regulations and of any amendment and supplements thereto shall be given to Tenant and Tenant agrees thereupon to comply with and observe all such rules and regulations, provided that, to the extent practicable, the same shall be applied uniformly to substantially all tenants.

(b) Landlord's rights and remedies in the event Tenant shall fail to comply with and observe such rules and regulations shall be the same as though such rules and regulations were set forth in this Article.

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**ARTICLE VI
COMMON AREAS**

SECTION 6.01. Common Areas Defined. All areas, space, facilities and equipment within and around the demised Premises, to the extent made available by Landlord for the common and joint use and benefit of Landlord, Tenant and other tenants and occupants of the Property, and their respective employees, agents, subtenants, concessionaires, licensees, customers and other invitees, are collectively referred to herein as "the common areas". If and to the extent made available by Landlord, the common areas shall include, but not be limited to the parking areas, all approaches, entrances, exits, sidewalks, roadways, walkways, truckways, stairways (except as hereinafter provided), loading docks, delivery areas, roof, exterior walls, landscaped areas, maintenance areas and hallways. Tenant, and Tenant's respective employees, agents, subtenants, concessionaires, licensees, customers and other invitees, are hereby given the license in common with all others to whom Landlord has or may hereafter grant rights to use the common areas as they may from time to time exist subject to the rules, regulations and covenants herein.

SECTION 6.02. Common Area - Multiple Tenancy. The common areas shall be subject to the exclusive control of Landlord. Landlord shall operate, manage, equip, police, light, landscape, surface, pave and maintain the common areas all in such manner as Landlord, in Landlord's sole discretion, may, from time to time determine. Landlord hereby expressly reserves the right from time to time to construct, maintain and operate lighting and other facilities, equipment and signs within the common areas; to maintain security for the common areas; to use and allow others to use the common areas for any purpose; to change the size, area, level, location and arrangement of the common areas and parking; to landscape the common areas; to regulate parking by tenants and other occupants and their respective employees, agents, subtenants, concessionaires, and licensees; to close temporarily all or any portion of the common areas for the purpose of making repairs, changes or alterations thereto or performing necessary maintenance in connection with any emergency, in connection with closings resulting from adverse weather conditions or for any other purpose; to establish, modify and enforce reasonable rules and regulations with respect to the common areas and the use to be made thereof. Tenant agrees that it will abide by, keep and observe all reasonable rules and regulations which Landlord may make from time to time for the management, safety, care, and cleanliness of the Property and its common areas and surrounding grounds, the parking of vehicles and the preservation of good order therein as well as for the convenience of other occupants and tenants of the Property.

SECTION 6.03. Common Area Operating Costs. Tenant agrees to pay, as additional rent, its prorata share of Landlord's costs of operating, maintaining and repairing the common areas (hereinafter referred to as "the Operating Costs". Operating Costs" shall mean all costs and expenses of any kind or nature which are necessary, and are customarily incurred in operating and maintaining the common areas as determined by Landlord and which are, as determined by Landlord, reasonable and appropriate for the best interest of the Property, including but not limited to all costs and expenses of operating, maintaining, repairing, lighting, cleaning, painting, paving, striping, and policing all common areas and all improvements thereto, costs of utilities and refuse for the common areas; costs of all roof repairs, costs of all supplies; insurance premiums for liability insurance for personal injury, death, and property damage; costs of workmen's compensation insurance covering personnel and fidelity bonds for personnel; costs of insurance against liability for defamation and claims of false arrest occurring in and about the common areas; costs for removal of snow, ice, and debris from the parking lot areas, monitoring of fire and security systems for common areas; cost for regulation of traffic; costs and expenses of planting, replanting, and replacing flowers and shrubbery and planters; costs of water and sewer service. ; Sprinkler maintenance costs and Landlord's administrative expenses equal to ten (10%) percent of the costs expended for the common areas for the current period. Operating Costs shall not include: real estate taxes, except real property taxes applicable to the common areas; costs of work performed exclusively for any other tenant in the Property other than work of a kind and scope which Landlord would be obligated to provide to all tenants; leasing commissions and other expenses attributable solely to leasing of space in the Property and costs of repairs or rebuilding necessitated by condemnation. It is understood that the projected Total Common Area Maintenance reimbursable costs for calendar year 2014 are \$96,198.00, including taxes, insurance and snow removal.

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SECTION 6.04. Tenant's Share of Common Area Costs. The proportionate share of the common area costs which Tenant is obligated to pay shall be as set forth in Section 1.15, of the total common area costs as reasonably determined by Landlord. Landlord shall periodically bill Tenant for such costs, which shall be paid within thirty (30) days after Tenant's receipt of same, together with Landlord's submission to Tenant of a list of such common area costs. In the event of nonpayment by Tenant of Tenant's portion of the common area costs, Landlord shall have all the rights and remedies with respect thereto as Landlord has for the nonpayment of minimum rent. However, Landlord's failure to provide such Common Area Maintenance Cost Statement shall in no way excuse Tenant from its obligation to pay its pro rate share of CAM Costs or constitute a waiver of Landlord's right to bill and collect such pro rata share of CAM Costs from Tenant in accordance with this Lease.

**ARTICLE VII
LANDLORD'S LEASEHOLD IMPROVEMENTS AND
TENANT'S INITIAL CONSTRUCTION**

SECTION 7.01. Landlord Leasehold Improvements.

(a) Landlord shall construct for the Premises and shall perform the work labeled as Landlord's work as specified in Exhibit "B" attached hereto and incorporated herein by reference at its sole cost and expense. All other work required to be performed in order for the Tenant to open and operate shall be performed by the Tenant in accordance with this Lease.

(b) Landlord will notify Tenant of the date of substantial completion of the Premises. Substantial completion shall mean the date (Possession Date) Landlord completes Landlord's work with the exception of minor punchlist items.

SECTION 7.02. Tenant's Work - Initial Construction.



(a) Within thirty (30) days after the execution of this Lease, Tenant will notify Landlord in writing of the name and address of Tenant's architect. Within sixty (60) days after the execution of this Lease, Tenant will provide Landlord with one full and complete set of Tenant's drawings including but not limited to architectural, mechanical, electrical, plumbing and heating, ventilating and air conditioning drawings, for Landlord's prior written approval.

(b) Tenant shall accept possession of the Premises on the Possession Date subject to minor punch list items if any, and shall within ten (10) days after the Possession Date, commence and shall promptly and with due diligence complete Tenant's work.

(c) All work to be performed by Tenant in connection with the preparation of the Premises for occupancy and opening for business shall be subject to the prior written approval by Landlord prior to commencement of such work and shall be performed by Tenant at its sole cost and expense.

(d) Tenant shall complete or cause the completion of all Tenant's work and all such work shall be:

- (1) done as expeditiously as possible in a good and workmanlike manner and with first-class new materials;
- (2) done in compliance with such reasonable rules and regulations as Landlord or its agents or contractors may make;
- (3) done in such manner as will not interfere unreasonably with work being done by Landlord upon the Premises or any other portions of the Property;
- (4) done at the risk of Tenant;
- (5) done in accordance with the applicable requirements of all regulatory authorities having jurisdiction with respect thereto;
- (6) done only by contractors approved by Landlord; and
- (7) done with materials that are not susceptible to mold or mold conditions
- (8) performed only by such contractors and subcontractors as will work in harmony and without causing any labor dispute with each other, with Landlord's contractors and subcontractors and with the contractors and subcontractors of all others working in or upon the Property, or any part thereof, and Tenant shall require its contractors and subcontractors to employ only such labor as will work in harmony and without causing any labor dispute with all other labor then working in the Property or any part thereof, including but not limited to the Premises; and shall permit only those contractors and subcontractors as have been duly licensed by the authority having jurisdiction over the appropriate profession and which have been approved as to qualifications and competency in writing by Landlord which approval will not

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be unreasonably withheld.

(e) Tenant shall, at its expense, obtain and maintain for so long as Tenant's work continues, public liability insurance and workmen's compensation insurance adequate to fully protect Landlord as well as Tenant from any and all liability for death of or injury to person or damage to property caused in or about the Premises, or by reason of the conduct of Tenant's work. Tenant shall protect, defend, indemnify and hold harmless Landlord against any such loss, liability or damage resulting from such work.

(f) Tenant shall deliver to Landlord certificates evidencing such insurance coverage prior to the commencement of Tenant's work.

(g) Tenant shall obtain waivers of liens duly recorded in the local court from its contractor as to all subcontractors and deliver the same to Landlord prior to possession of the Premises and the commencement of any work in the Premises. Tenant shall not be entitled to possession of the Premises until said lien waivers have been delivered to Landlord however, Landlord's refusal to deliver Premises for the reasons stated herein shall not relieve Tenant of any of its obligations hereunder; and

(h) Tenant shall pay for all costs and expenses of construction and installation of Tenant's work so that there will be no items, claims or charges outstanding with respect thereto and sufficient evidence thereof shall be provided to Landlord.

(i) Tenant, or his representative, shall pay for and obtain all permits, approvals, tap fees and licenses for construction and occupancy of the Premises including PA Department of Labor and Industry and local Code approval.

(j) Tenant shall at Landlord's request furnish to Landlord:

(1) Properly issued certificates evidencing acceptance or approval of the demised Premises by appropriate governmental authorities, including the underwriter's approval of Tenant's sprinkler installation and electrical system if any.

(2) A set of "as-built" plans and specifications for Tenant's Work, together with names and addresses of Tenant's electrical, plumbing, and other contractors, prepared and sealed by Tenant's architect.

(3) Any other statements, certificates or agreements requested pursuant to the Lease.

SECTION 7.03. Tenant Allowance.

(a) If and so long as Tenant has performed Tenant's initial construction as set forth hereinabove and has complied with all of the conditions set forth below, Tenant shall become entitled to an allowance from Landlord in the amount of a maximum sum set forth in Exhibit "B" for Tenant's Work. The conditions precedent are as follows:

(1) Tenant has actually constructed and installed all Tenant's Work and has completed all Tenant's Work to Landlord's satisfaction and in accordance with the plans and specifications approved by Landlord.

(2) Tenant has opened the Premises for business.

(3) Tenant has executed and delivered the Lease in a form satisfactory to Landlord.

(4) Tenant is not in default of any of its covenants, obligations, or agreements under this Lease.


(5) Tenant has paid for all costs and expenses of construction and installation of all leasehold improvements and Tenant's Work so that there are and will be no liens, claims or charges outstanding with respect thereto and sufficient evidence thereof is provided to Landlord as herein required.

(6) Tenant has executed and delivered a certified statement showing payment in full for all costs and expenses of completing Tenant's Work.

(7) Tenant has delivered to Landlord if requested an estoppel certificate in form acceptable to Landlord, and certificates evidencing the placement by the Tenant of the insurance policies required pursuant to this Lease, and,

(8) Tenant has delivered to Landlord an itemized list detailing Tenant's actual cost of all improvements and installations including material and labor, storefront, flooring, electrical, plumbing, heating, ventilation and air-conditioning, ceiling, sprinklers, washrooms and any other special facilities installed in the Premises.

(f) Tenant shall become entitled to such allowance only upon the fulfillment of the preconditions set forth in Subsection (a) above and after Tenant shall have produced evidence satisfactory to Landlord that all accounts relating to Tenant's Work and leasehold improvements shall have been paid and satisfied and that no liens, claims or charges have or may be claimed with respect thereto, however, such payment shall be subject to the deduction of any

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amount due from Tenant to Landlord at the time Tenant becomes entitled to such payment.

(g) Landlord shall be entitled to withhold a portion of the amount to be advanced by it in order to comply with the provisions of any mechanics' lien act or similar legislation and shall advance such withheld portion to Tenant at the expiration of the lien period so long as it has received no notice of claim of lien. If notice of a claim of lien has been received by Landlord prior to payment of the amounts to be paid to Tenant, Landlord shall be entitled to withhold payment until such claim of lien has been dismissed.

(h) Tenant shall not take more than seventy five (75) days to complete the Tenant's Work from the Possession Date.

SECTION 7.04. Signs - Awnings - Canopies.

(a) Tenant shall neither place or maintain nor suffer to be placed or maintained on the exterior of the demised Premise or on the glass of any window or door of the Demised Premise which shall be visible from the exterior thereof or within 3 feet of any such glass (other than neatly lettered signs of reasonable size placed on the floor of the display window identifying articles offered for sale and the price thereof) any sign, awning, canopy, decoration, lettering, advertising matter or any other thing without in each instance obtaining Landlord's written approval not to be unreasonably withheld thereof and Tenant further agrees to Design and maintain such sign, decoration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times in compliance with the requirements of the Landlord.

(b) Tenant shall not paint or decorate any part of the exterior of the demised Premises, or any part of the Premises or the Property which shall be visible from the exterior thereof, without first obtaining Landlord's written approval of such painting or decoration. All signs, awnings and canopies pursuant to this Section must comply with local rules, regulations and zoning.


(c) Tenant shall be allowed to use twice the amount of space than allocated for their store size on the marquee sign to aid in their grand opening until such time as both the former Desert Rug store and former Stuffing Town spaces are occupied by other tenants. Tenant will continue to have the right during its tenancy to place signage on the Plaza marquee sign in accordance with the size allocation of other existing tenants. In addition to tenant having the right to install façade signage at tenant's main entrance landlord will also grant tenant the right to pursue additional signage on the façade facing South Atherton street not to be unreasonably withheld and in full compliance with local regulations. All Tenant sign designs, shall be approved by Landlord before installed by Tenant.

SECTION 7.05. Liens. Tenant shall keep the Premises and the Property free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant and shall indemnify, hold harmless and defend Landlord from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of Tenant. In the event that Tenant shall not, within twenty (20) days following the imposition of any such lien, cause such lien to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord and the Premises, and any other party having an interest therein, from mechanics' and materialmen's liens, and Tenant shall give to Landlord at least ten (10) business days prior to written notice of the expected date of commencement of any work relating to alterations or additions to the Premises.

ARTICLE VIII MAINTENANCE AND REPAIR

SECTION 8.01. Repairs and Maintenance by Tenant.

(a) Tenant shall at all times at its own expense keep and maintain the demised Premises, (including, but not limited to, all entrances, sidewalks (including removal of snow and ice) and the inside and outside of all glass in the doors and windows and show window moldings and all partitions, doors, fixtures, signs, equipment and appurtenances thereof in good order and repair, and in a neat, safe, clean and orderly condition, including, but not limited to, reasonable periodic painting as determined by Landlord and making all non-structural ordinary and extraordinary, foreseen and unforeseen repairs to the demised Premises, including, without limitation, repairs to the plumbing and sewage facilities within the demised Premises or under the floor slab including free flow up to the main sewer line, water meters and any equipment required for the meters by the local Authority electrical, heating, ventilating, and air-conditioning systems and mechanical

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systems and installations therein. Tenant's responsibilities shall be limited to their premises and exclusive use as a cause for such required repairs. Tenant will not be liable for any plumbing, sewage, electrical, HVAC, mechanical and roof repairs not attributed to their use of the premises. Tenant shall not overload the electrical wiring serving the premises or within the premises, and will install at its own expense but only after obtaining Landlord's written approval, any additional electrical wiring which may be required in connection with the demised Premises. Landlord will inspect, clean, change filters, and perform all required maintenance for the Tenant's heating and air conditioning system, if any, serving the demised Premises periodically, but not more than four times a year without the Tenant's request therefore.

(b) Tenant will repair promptly at its own expense any damage (whether structural or non-structural) to the demised Premises caused by any construction or alterations performed by Tenant or bringing into the Premises any property for Tenant's use, or by the installation or removal of such property, regardless of fault or by whom such damage shall be caused, unless caused solely by the negligence of Landlord or its servants or employees.

(c) Tenant at its sole cost and expense shall regularly monitor the Premises for the presence of any mold or any condition that reasonably can be expected to give rise to mold including but not limited to observed or suspected instances of water damage, mold growth, repeated complaints of respiratory ailments or eye irritation by Tenant's employees, customers, invitees or any other occupants in the Premises. In the event of suspected mold or mold conditions at the Premises, Tenant shall promptly notify the Landlord in writing and, at its sole cost and expense, shall promptly cause an inspection of the Premises to be conducted by a Certified Industrial Hygienist or otherwise qualified mold consultant within twenty (20) days of the discovery of the mold condition. A complete inspection report of the mold consultant shall be forwarded to the Landlord within ten (10) days of the inspection. If the inspection required under this paragraph determines that mold or mold conditions are present at the Premises then the Tenant, at its sole cost and expense, shall promptly hire trained and experienced mold remediation contractors to do what is required to ensure that the mold is remediated in accordance with the relevant provisions of the document "Mold Remediation in Schools and Commercial Buildings" (EPA 402-K-01-001) published by the U.S. Environmental Protection Agency as may be amended. Prior to any mold remediation, the Tenant shall forward the remediation plan to the Landlord for the Landlord's approval. Tenant also acknowledges that Tenant is obligated in any alterations that Tenant performs not to use any materials that are susceptible to mold.

(d) In the event Tenant defaults in the performance to Landlord's satisfaction of any of its obligations under this Section and such default continues for a period of thirty (30) days after written notice from Landlord (except that in an emergency no notice shall be required), Landlord may exercise default remedies under this Lease.

SECTION 8.02. Structural Repairs.

(a) Except as otherwise provided herein, structural portions of the Premises, and those portions of the exterior of the demised Premises which Tenant is not obligated to maintain (except for reimbursement to Landlord as part of the common area costs) will be repaired by Landlord provided Tenant gives Landlord notice specifying the need for and nature of such repairs; provided, however, if Landlord is required to make any repairs to such portions of the demised Premises by reason, in whole or in part, of the negligent act or failure to act by Tenant or Tenant's agent, servants, employees, contractors or subcontractors, or by reason of any unusual use of the demised Premises by Tenant (whether or not such use is a permitted use hereunder), Landlord may collect the cost of such repairs, as additional rent, upon demand. For the purpose of this Lease, any difference in floor level, shifting of floor slab, or deviation in finished floor height resulting from the insertion or construction of an expansion joint or strip in the floor slab shall not be deemed a structural defect requiring repair by Landlord, but rather, a normal construction practice which shall be Tenant's responsibility to appropriately plan for in its construction and use of the demised Premises.

(b) If, without Landlord's prior consent, Tenant performs any alterations, additions, improvements, changes, affixations of chattels or other work which affects the structural portions of the demised Premises and/or the roof of the building of which the Premises is part and/or that portion of the exterior of the demised Premises which Landlord is obligated to repair or which affects the structural integrity of the building of which the leased Premises shall form a part, such action by Tenant shall release and discharge Landlord as of the commencement of such alteration, addition, improvement, affixation or other work of and from such repair obligation and thereafter, Tenant agrees to be solely responsible for the maintenance, repair and replacement of any or all such structural portions, roof exterior and building which have been affected as aforesaid; provided in the event Tenant shall default in the performance, to Landlord's satisfaction, of such responsibilities, Landlord may exercise other remedies under this Lease, at law or in equity, may (but shall not be obligated to do so) cure such default on behalf of Tenant without any liability of Landlord, its agents, servants, employees, contractors or subcontractors for damage to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and Tenant shall reimburse Landlord, as additional rent, upon demand for any sums paid or costs incurred in curing such default, plus administrative costs. For the purposes of the foregoing, if Tenant performs any such alterations, additions,

improvements, changes, affixations or other work in a manner not consistent with Landlord's prior consent thereto, such work shall be deemed to have been performed without Landlord's consent.

**ARTICLE IX
INDEMNITY - NONLIABILITY**

SECTION 9.01. Indemnity by Tenant. Tenant shall indemnify and hold Landlord harmless from and against any and all claims of liability for any injury or damage to any person or property arising from Tenant's use of the Premises, the Property or the Common Areas, or from the conduct of Tenant's business, or any mold or mold conditions, or from any activity, work or thing done, permitted or suffered by Tenant in or about the Premises or elsewhere. Tenant shall further indemnify and hold Landlord harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under this Lease, or arising from any negligence of Tenant or Tenant's agents, contractors or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. In the event any action or proceeding is brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall defend same at Tenant's expense by counsel satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons, in, upon or about the Premises arising from any cause and Tenant hereby waives all claims in respect thereof against Landlord.

SECTION 9.02. Landlord Nonliability for Injury, Loss, or Damage. Subject to terms of this Lease Tenant acknowledges and agrees that Landlord shall not be liable or responsible in any way to Tenant or any other person for:

(a) Any injury arising from or out of any occurrence in, upon, at, or relating to the Premises or the Property or any part thereof or any loss or damage to property (including loss of use thereof) of Tenant or any other Person located in the Premises or Property or any part thereof from any cause whatsoever, whether or not such injury, loss, or damage results from any fault, default, negligence, act, or omission of Landlord or its agents, servants, employees, or any other Person for whom Landlord is in law responsible.



(b) (Without limiting the generality of the foregoing provisions of this Section) any injury to Tenant or any other Person or loss or damage to property resulting from but not limited to: fire; smoke; explosion; falling plaster, ceiling tiles, fixtures, or signs; broken glass; steam; gas; fumes; vapors; odors; dust; dirt; grease; acid; oil; any hazardous material or substance including asbestos; debris; noise; air or noise pollution; theft; breakage; vermin; electricity; computer or electronic equipment or systems malfunction or stoppage; water; rain; flood; flooding; freezing; tornado; windstorm; snow; sleet; hail; frost; ice; excessive heat or cold; mold or any mold related claims; sewage; sewer backup; toilet overflow; or leaks or discharges from any part of the Premises or Property or from any pipes, sprinklers, appliances, equipment (including, without limitation, heating, ventilating, and air-conditioning equipment); electrical or other wiring; plumbing fixtures; roof(s), windows, skylights, doors, trap doors, or subsurface of any floor or ceiling of any part of the Premises or Property, or from the street or any other place, or by dampness or climatic conditions, or from any other cause whatsoever;

(c) Any Injury, loss, or damage caused by other tenants or any Person in the Premises or Property, or by occupants of adjacent property thereto, or by the public, or by construction or renovation, or by any private, public, or quasi-public work, or by interruption, cessation or failure of any public or other utility service, or caused by Force Majeure;

(d) Any Injury to Tenant or any other Person or any loss or damage suffered to the Premises or the contents thereof by reason of Landlord or its representatives entering the Premises to undertake any work therein, or to exercise any of Landlord's rights or remedies hereunder, or to fulfill any of Landlord's obligations hereunder, or in the case of emergency; or

(e) Any Injury, loss, or damage to property caused by perils insured against or required to be insured against by Tenant pursuant to this Lease. Landlord is liable for injury, loss or damage if the injury, loss or damage is the result of gross negligence of the Landlord.

SECTION 9.03. Limitation of Liability. Notwithstanding anything to the contrary herein provided, it is specifically understood and agreed that there shall be absolutely no personal liability on the part of Landlord or any successor in interest of Landlord, whether any such successor in interest shall be a corporation, or an individual, joint venture, tenancy in common, firm or partnership, general or limited, or on the part of the members of such firm, partnership or joint venture with respect to any of the terms, covenants and conditions of this Lease and Tenant shall look solely to the equity of Landlord or such successor in interest in the Premises or Property for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord or by such successor in interest of any of the terms, covenants and conditions of this Lease to be

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performed by Landlord; such exculpation of personal liability to be absolute and without any exception whatsoever. Landlord agrees that if Tenant obtains a monetary judgment in court against the Landlord, which judgment Landlord does not successfully appeal, then Tenant shall have the right to offset the amount of such judgment together with Tenant's actual reasonable costs and expenses (including reasonable attorney's fees) against the Minimum Rent, if any, next payable by Tenant hereunder until the amount of such judgment has been completely offset.

ARTICLE X INSURANCE

SECTION 10.01. Tenant Insurance.

(a) Tenant will keep in force in companies licensed to do business in Pennsylvania at Tenant's expense at all times during the term of this Lease and during such other times as Tenant occupies the demised premises or any part thereof:

(1) Public liability insurance with respect to the demised Premises, the sidewalks abutting and adjoining the demised Premises, if any, and the business operated by Tenant and any subtenants, licensees and concessionaires of Tenant in or from the demised Premises with minimum limits as shown in Section 1.17. If the nature of Tenant's operation is such as to place any or all of its employees under the coverage of local workmen's compensation or similar statutes, Tenant shall also keep in force, at its own expense, workmen's compensation or similar insurance affording statutory coverage and containing statutory limits. Landlord shall have the right to increase the minimum liability limits during the term of this Lease as economics and circumstances change, at the Landlord's sole discretion.

(2) Fire insurance, with standard broad form extended coverage endorsement covering (a) all of Tenant's stock in trade, trade fixtures, furniture, furnishings, such equipment as is not affixed to the demised premises and signs, and (b) Tenant's interest in all of the improvements and betterments installed in the premises by Tenant, in each case to the extent of at least eighty percent (80%) of their collective insurable value, without co-insurance.


(b) Without request, Tenant will deposit with Landlord policies of insurance required by the provisions of this Section or certificates thereof, together with satisfactory evidence of the payment of the required premium or premiums thereof.

(c) All insurance required herein shall be with companies rated "A"1 Class XI or better in "Best Insurance Guide".

SECTION 10.02. Insurance Provisions. All policies of insurance required to be carried by Tenant pursuant to this Article shall provide that the policy shall not be subject to cancellation, termination or change except after ten (10) days prior written notice to Landlord and shall name Landlord as an additional insured as its interest may appear

SECTION 10.03. Effect on Insurance.

(a) Tenant will not do, omit to do, or suffer to be done or keep or suffer to be kept anything in, upon or about the leased Premises which will violate the provisions of Landlord's policies insuring against loss or damage by fire or other hazards (including, but not limited to, public liability), which will adversely affect Landlord's fire or liability insurance premium rating or which will prevent Landlord from procuring such policies in companies acceptable to Landlord, provided Tenant is first given adequate notice of the requirements of such policies. If anything done, omitted to be done or suffered to be done by Tenant, or kept or suffered by Tenant to be kept in, upon or about the Premises shall by itself or in combination with other circumstances existing at the Property cause the premium of fire or other insurance on the Premises or other improvements of the Property in companies acceptable to Landlord to be increased beyond the established rate from time to time fixed by the appropriate underwriters with regard to the use of the demised Premises for the purposes permitted under this Lease or to such other property in the Property for the use or uses made thereof, Tenant will pay the amount of such increase or, in the event that other circumstances existing at the Property shall have contributed to such increase, such equitable portion of such increase as reasonably determined by Landlord, as additional rent upon Landlord's demand and will thereafter pay the amount of such increase, as the same may vary from time to time, with respect to every premium relating to coverage of the demised Premises during a period falling within the term of this Lease until such increase is eliminated. In addition, if applicable, Landlord may, at its option rectify the condition existing on the demised Premises which caused or was a contributing cause of the increased premium rate in the event that the Tenant should fail to do so and may charge the cost of such action to Tenant as additional rent, payable on demand. In determining whether increased

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premiums are the result of Tenant's use of the leased Premises, a schedule, issued by the organization making the insurance rate on the leased Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up the fire insurance rate on the leased Premises.

(b) If for any reason whatsoever including, but not limited to, the abandonment of the demised Premises, Tenant's failure to pay the insurance premium or Tenant's failure to occupy the demised Premises as herein permitted, Tenant fails to provide and keep in force any or all of the insurance policies set forth in this Article hereof, then in such event Tenant shall indemnify and hold Landlord harmless against any loss which would have been covered by such insurance.

(c) If Tenant shall not comply with its covenants made in this Article, Landlord in addition to Landlord's other remedies hereunder may (but shall not be obligated to) cause insurance, as aforesaid, to be issued, and in such event, Tenant agrees to pay the premium for such insurance as additional rent promptly upon Landlord's demand, or Landlord, at its option, may treat such failure to comply as an Event of Default.

SECTION 10.04. Property Insurance by Landlord.

(a) Landlord shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Premises, the Property and the Common Areas, but not Tenant's fixtures, equipment, Tenant improvements or plate glass insurance, in such amounts as Landlord or Landlord's Lender shall determine, providing protection against all perils included within the classification of fire, extended coverage, vandalism, rental loss, malicious mischief, terrorism and bioterrorism, special extended policies (all risk) and liability insurance including liability umbrellas.

(b) Policies. Tenant shall pay to Landlord, during the term hereof, as additional rent, its proportionate share of the premiums for insurance required under this Section. Such proportionate share shall be as specified in Section 1.15 (Tenant's Share of Expenses) and shall be paid within ten (10) days after Tenant's receipt of the statement therefore.

SECTION 10.05. Waiver of Subrogation. Notwithstanding anything in the Lease to the contrary, Landlord and Tenant each hereby waive any and all rights of recovery against the other or against the officers, employees, agents and representatives of the other, on account of loss or damage occasioned to such waiving party of its property or the property of others under its control caused by fire or any of the extended coverage risks described above to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. The insuring party shall, upon obtaining the policies of insurance required under this Lease, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

ARTICLE XI UTILITIES - REFUSE


SECTION 11.01. Utilities, Refuse and Miscellaneous.

(a) Tenant shall be solely responsible for and promptly pay all charges relating to those utilities separately metered exclusively for the tenant's premises. All other related expenses and responsibilities are so defined under the Common Area Maintenance "CAM" clause. If Tenant does not pay the charges for utilities and Landlord is required to pay for any charges on behalf of the Tenant, such failure to pay by the Tenant shall be construed as a default under the terms of this lease as specified in Section 20.01. If the Landlord is notified by a utility company of Tenant's failure to pay, Landlord reserves the right to pay such utility on behalf of the Tenant, and bill the Tenant and add a ten percent (10%) administration charge.

(b) In no event shall Landlord be liable to Tenant for damages or otherwise for any interruption, curtailment or suspension of any of the foregoing utility or refuse services under this Lease or due to repairs, action of public authorities, strikes, acts of God or public enemy, or any other cause.

SECTION 11.02. Application for Utilities. Tenant shall make appropriate applications to the local utility companies at such times as shall be necessary to insure utility services being available at the Premises no later than the Possession date and pay all required deposits.

ARTICLE XII ESTOPPEL CERTIFICATE; SUBORDINATION and ATTORNMENT

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
SECTION 12.01. Execution of Estoppel Certificate. At any time, and from time to time, upon the written request of Landlord or any mortgagee, Tenant, within twenty (20) days of the date of such written request, agrees to execute and deliver to Landlord and/or such mortgagee, without charge and in a form satisfactory to Landlord and/or such mortgagee, a written statement: (a) ratifying this Lease; (b) confirming the commencement and expiration dates of the term of this Lease; (c) certifying that Tenant is in occupancy of the demised premises, and that the Lease is in full force and effect and has not been modified, assigned, supplemented or amended except by such writings as shall be stated; (d) certifying that all conditions and agreements under this Lease to be satisfied or performed by Landlord have been satisfied and performed except as shall be stated; (e) certifying that Landlord is not in default under the Lease and there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating the defaults and/or defenses claimed by Tenant; (f) reciting the amount of advance rent, if any, paid by Tenant and the date to which such rent has been paid; (g) reciting the amount of security deposited with Landlord, if any; and (h) any other information which Landlord or the mortgagee shall require.

SECTION 12.02. Failure to Execute Estoppel Certificate. The failure of Tenant to execute, acknowledge and deliver to Landlord and/or any mortgagee, a statement in accordance with the provisions of Section 12.01 above within the period set forth in Section 12.01 shall constitute an acknowledgment by Tenant which may be relied upon by any person holding or intending to acquire any interest whatsoever in the demised Premises or the Property that this Lease has not been assigned, amended, changed or modified, is in full force and effect and that the Minimum Rent, Tenant's share of common area operating costs, utility charges, and additional rent have been duly and fully paid not beyond the respective due dates immediately preceding the date of the request for such statement and shall constitute as to any persons entitled to rely on such statements a waiver of any defaults by Landlord or defenses or offsets against the enforcement of this Lease by Landlord which may exist prior to the date of the written request.

SECTION 12.03. Subordination and Attornment. Tenant agrees: (a) that, except as hereinafter provided, this Lease is, and all of Tenant's rights hereunder are and shall always be subject and subordinate to any mortgage, leases of Landlord's property (in sale-leaseback) pursuant to which Landlord has or shall retain the right of possession of the demised premises or security instruments (collectively called "Mortgage") that now exist, or may hereafter be placed upon the demised Premises of the Property or any part thereof and to all advances made or to be made thereunder and to the interest thereon, and all renewals, replacements, modifications, consolidations, or extensions thereof; and (b) that if the holder of any such Mortgage ("Mortgagee") or if the purchaser at any foreclosure sale or at any sale under a power of sale contained in any Mortgage shall at its sole option so request, Tenant will attorn to and recognize such Mortgagee or purchaser, as the case may be, as Landlord under this Lease for the balance then remaining of the term of this Lease, subject to all terms of this Lease; and (c) that the aforesaid provisions shall be self operative and no further instrument or document shall be necessary unless required by any such Mortgagee or purchaser. Notwithstanding anything to the contrary set forth above, any Mortgagee may at any time subordinate its Mortgage to this Lease, without Tenant's consent, by execution of a written document subordinating such Mortgage to this Lease to the extent set forth therein, and thereupon this Lease shall be deemed prior to such Mortgage to the extent set forth in such written document without regard to their respective dates of execution, delivery and/or recording and in that event, to the extent set forth in such written document such Mortgagee shall have the same rights with respect to this Lease as though this Lease had been executed and a memorandum thereof recorded prior to the execution, delivery and recording of the Mortgage and as though this Lease had been assigned to such Mortgagee. Should Landlord or any Mortgagee or purchaser desire confirmation of either such subordination or such attornment, as the case may be, Tenant upon written request, and from time to time, will execute and deliver without charge and in form satisfactory to Landlord, the Mortgagee or the purchaser all instruments and/or documents that may be requested to acknowledge such subordination and/or agreement to attorn, in recordable form.

SECTION 12.04. Landlord's Additional Option - Failure to Execute Instruments and Documents. In the event Tenant fails to execute and deliver the instruments and documents as specified in this Article within the time period set forth, Tenant does hereby make, constitute and appoint Landlord or such Mortgagee or purchaser, as the case may be, as Tenant's attorney-in-fact and in its name, place and stead to do so, or Landlord may treat such failure as an Event of Default. The aforesaid power of attorney is given as security coupled with an interest and is irrevocable.

ARTICLE XIII SUBLETTING AND ASSIGNMENT

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
SECTION 13.01. Prohibition of Subletting and Assignment. Tenant shall not sublet or assign the Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld. In determining whether to grant consent to the Tenant's sublet or assignment request, the Landlord may consider any reasonable factor. Landlord and Tenant agree that any one of the following factors, or any other reasonable factor, will be reasonable grounds for deciding the Tenant's request:

- (a) financial strength of the proposed subtenant/assignee must be at least equal to that of the existing Tenant;
- (b) business reputation of the proposed subtenant/assignee must be in accordance with generally acceptable commercial standards;
- (c) use of the premises by the proposed subtenant/assignee must be identical to the use permitted by this Lease;
- (d) percentage rents if any of the proposed subtenant/assignee, or the prospect of percentage rents, must be at least equal to that of the existing Tenant;
- (e) managerial and operational skills of the proposed subtenant/assignee must be the same as those of the existing Tenant;
- (f) use of the Premises by the proposed subtenant/assignee will not violate or create any potential violation of any laws;
- (g) use of the Premises will not violate any other agreements affecting the Premises, the Landlord or other Tenants or adversely affect the tenant mix of the Property or surrounding properties of the Landlord.

SECTION 13.02. Modification Following Assignment. The joint and several liability of Tenant named herein and any immediate and remote successor in interest of Tenant (by assignment or otherwise), and the due performance of the obligations of this Lease on Tenant's part to be performed or observed, shall not in any way be discharged, released or impaired by any (a) agreement which modifies any of the rights or obligations of the parties under this Lease, (b) stipulation which extends the time within which an obligation under this Lease is to be performed, (c) waiver of the performance of an obligation required under this Lease, or (d) failure to enforce any of the obligations set forth in this Lease; provided, however, that (i) in the case of any modification of this Lease made after the date of an assignment or other transfer of this Lease by Tenant, if such modification increases or enlarges the obligations of Tenant or reduces the rights of Tenant, then Tenant named herein and each respective assignor or transferor shall not be liable under or bound by such increase, enlargement or reduction and (ii) in the case of any waiver by Landlord of a specific obligation of an assignee or transferee of Tenant, such waiver shall also be deemed a waiver of such obligation with respect to the immediate and remote assignors or transferrers of such assignee or transferee.

SECTION 13.03. Landlord's Consent. Conditions. Notwithstanding (and without limiting) any other provision of this Article, the following conditions must be met in order for the Landlord to consider any request for sublet or assignment:

- (a) Information on Assignee or Subtenant - At least thirty (30) days before the proposed effective date of the assignment or subletting Landlord receives for approval a copy of a fully executed unconditional assignment or sublease together with (1) reasonable detailed information as to the character, reputation and business experience of the proposed assignee or subtenant, and (2) financial information and bank references on the proposed assignee or subtenant (including, at Tenant's expense, a current financial statement certified as being true and correct by the chief financial executive or Certified Public Accountant of the proposed assignee or subtenant);
- (b) Tenant Not in Breach or Default - No breach or default on Tenant's part can exist at the time of the consent request and at the effective assignment or subletting date;
- (c) Terms of Lease Govern - Any assignment or subletting will be upon and subject to all terms and conditions of this Lease, including those regarding the permitted use of the Premises as specified in Section 1.16 hereof;
- (d) Assumption; Attornment - Any assignment must specifically state (and, if it does not, it will be deemed to specifically state) that the assignee assumes and agrees to be bound by all terms and conditions of this Lease, and any sublease must specifically state (and, if it does not, it will be deemed to specifically state) that at Landlord's election the subtenant will attorn to Landlord and recognize Landlord as Tenant's successor under the sublease for the balance of the sublease term if this Lease is surrendered by Tenant or terminated by reason of Tenant's default;
- (f) If Keystone Real Estate Group, L.P. is the procuring cause for finding such sub-lessee, or assignee, then Keystone Real Estate Group, L.P. shall be paid a brokerage commission of which fee to be negotiated on such sublet or assignment.

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- (g) Property's Existing Tenants and Occupants - No assignment or subletting will be to a then-existing Tenant or occupant of the Property nor violate or conflict with the rights of any such party;
- (h) Rental Rate - No assignment or subletting will be for a lesser rental rate than is then being charged by Landlord for comparable space in the Property;
- (i) Additional Security - Upon request the assignee (in the case of a proposed assignment) or Tenant (in the case of a proposed subletting) will increase the original security deposit hereunder to such amount as Landlord may require (or if no security was initially deposited hereunder, will post with Landlord such security as Landlord may require); and
- (j) Approval by Mortgagee - The assignment or subletting must first be approved in writing by any mortgagee of Landlord having the right of approval thereof.

SECTION 13.04. Recapture of Excess Rents.

- (a) Right to Share of Sublet Profit Minus Amortized Transaction Costs - If Landlord consents to any sublease of the Premises, or any part thereof, Tenant shall in consideration therefor pay to Landlord, as Additional Rent, 50% of the Excess Sublease Rent (as defined in Section b) less the reasonable and customary out-of-pocket transaction costs incurred by Tenant in connection with such subletting, including attorney's fees, brokerage commissions, and alteration costs (which transaction costs shall be amortized on a straight-line basis over the sublease term).
- (b) Definition of Excess Sublease Rent - Rents, additional charges, and other consideration payable to Tenant by the subtenant for or by reason of such sublease and which are, in the aggregate, in excess of the rent payable under this Lease for the subleased space during the term of the sublease, including but not limited to:
 - (1) Sums paid for the sale or rental of Tenant's fixtures, leasehold improvements, equipment, furniture, furnishings, or other personal property, less the then net unamortized or undepreciated cost thereof determined on the basis of Tenant's federal income tax returns; and
 - (2) Sums paid for services provided by Tenant to such subtenant (including, without limitation, secretarial, word processing, receptionist, conference rooms, library) in excess of the fair market value of such services.
- (c) Payment of Sublet Profit. Any amounts payable by Tenant pursuant to the foregoing provisions shall be paid by Tenant to Landlord as and when amounts on account thereof are due or paid, whichever occurs first, by any subtenant to Tenant, and Tenant agrees to promptly advise Landlord thereof and furnish such information as Landlord may request.

**ARTICLE XIV
DAMAGE AND DESTRUCTION**

SECTION 14.01. Destruction of the Premises. Rent Payments - If the Premises are at any time destroyed or damaged (including, without limitation, by smoke and water damage) as a result of a peril insured against by Landlord pursuant to this Lease, and if as a result of such occurrence:

- (a) The Premises are rendered untenable only in part, this Lease shall continue in full force and effect, and Landlord shall commence diligently to repair or reconstruct the Premises (but to the extent only of proceeds received by Landlord from its insurers and exclusive of Tenant's Improvements); and rent shall abate equitably to the portion of the Premises rendered untenable from the date of the destruction or damage until the date Landlord's repair is substantially completed (the "Repair Period"); or
- (b) The Premises are rendered wholly untenable, Landlord shall commence diligently to repair or reconstruct the Premises (but to the extent only of proceeds received by Landlord from its insurers, and exclusive of Tenant's Work and rent shall abate entirely during the Repair Period; or
- (c) The Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, and the rent and other charges payable by Tenant hereunder shall not terminate, be reduced, or abate.

SECTION 14.02. Landlord's and Tenant's Work After Damage.

- (a) Upon Tenant being notified in writing by Landlord that Landlord's Work has been substantially completed, Tenant shall forthwith complete all Tenant's Work including, without limitation, such work as is required to fully restore the Premises for business fully fixtured, stocked, and staffed (however, in no event shall Landlord be required to give Tenant the benefit of any capital allowance inducement to lease, or other payments, regardless of whether such benefit was given, at the time of or in conjunction with the original construction of the Premises, by Landlord to Tenant in connection with

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the work. Tenant shall diligently complete Tenant's Work and, if the Premises have been closed for business, forthwith reopen for business to the public, fully fixtures, stocked and staffed, but in any event not later than 30 days after notice that Landlord's Work is substantially completed.

(b) Limitation of Landlord's Obligations - Nothing in this Article shall require Landlord to (1) restore, repair, or replace any Leasehold Improvements, inventory, furniture, chattels, signs, contents, fixtures (including Trade Fixtures), or personal property of Tenant located on, in, under, above, or which service the Premises, or (2) rebuild the Premises in the condition and state that existed before any such damage or destruction.

(c) Fault of Tenant. Despite anything contained to the contrary in this Article, and without limiting Landlord's rights or remedies hereunder, Minimum Rent shall not be abated under this Section if any damage or destruction is caused by any fault, neglect, default, negligence, act, or omission of Tenant or those for whom Tenant is in law responsible or any other person entering upon the Premises under express or implied invitation of Tenant.

SECTION 14.04. Limits on Restoration Obligation. Notwithstanding the foregoing, Landlord shall have no obligation whatsoever to repair, reconstruct, or restore the Premises and/or the Property if any of the following occurs:

(a) The holder of a mortgage encumbering the Property or Premises elects not to permit the insurance proceeds payable upon damage to or destruction of the Property or Premises to be used for such repair, reconstruction, or restoration;

(b) Tenant is in default, or an event that, with the giving of notice or passage of time, would become a Default; or

(c) The Tenant has vacated or abandoned the Premises.

In any such event, Landlord may terminate this Lease by written notice to Tenant given within sixty (60) days after the damage or destruction.

ARTICLE XV EMINENT DOMAIN

SECTION 15.01. Partial or Total Condemnation. If the whole or any part of the Premises shall be taken by any public authority under the power of eminent domain, Tenant shall have no claim to nor shall it be entitled to any portion of any award for damages or otherwise. In the event only a portion of the demised Premises are taken, the Lease shall cease as to the part taken and the Minimum Rent, and other charges herein reserved, if any, shall be adjusted so that Tenant shall be required to pay for the balance of the term that portion of the rent and other amounts herein reserved which the value of the part of the demised Premises remaining after condemnation bears to the value of the demised Premises immediately prior to the date of condemnation. The rental and other charges shall be apportioned as aforesaid by agreement between the parties or by legal proceedings, but pending such determination, Tenant shall pay at the time and in the manner above provided the rental herein reserved, and all other charges herein required to be paid by Tenant, with deduction. Upon such determination, Tenant shall be entitled to credit for any excess rentals paid. If, however, by reason of the condemnation there is not sufficient space left in the demised Premises for Tenant to conduct business in substantially the manner in which it was being conducted immediately prior to such taking, or the taking of parking and/or common areas is so substantial as to render the demised Premises unsuitable and unfit for which they were rented, then and in such events the Lease shall terminate. Although all damages in the event of condemnation belong to Landlord whether awarded as compensation for diminution in value of the leasehold or to the fee of the demised Premises, nothing herein shall be construed to prevent Tenant from claiming and recovering from the condemning authority such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right so long as any such award in no way reduces Landlord's award.

ARTICLE XVI TENANT BANKRUPTCY

SECTION 16.01. Event of Bankruptcy Defined. An "Event of Bankruptcy" means the filing of a voluntary petition by

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Tenant, or the entry of an order for relief against Tenant, under Chapter 7, 11, or 13 of the Bankruptcy Code (or the conversion to a Chapter 11 or 13 proceeding of a proceeding that is filed by or against Tenant under any other chapter of the Bankruptcy Code).

SECTION 16.02. Assumption of Lease. If an Event of Bankruptcy occurs, the trustee of Tenant's bankruptcy estate or Tenant as debtor-in-possession may assume the Lease, and may subsequently assign it, only if it does the following within 60 days after the date of the filing of the voluntary petition, the entry of the order for relief or the date of conversion (or such additional time as a court of competent jurisdiction may grant, for cause, upon a motion made within the original 60-day period):

- (a) File a motion to assume the Lease with the appropriate court;
- (b) Satisfy all of the following conditions, which Landlord and Tenant acknowledge to be commercially reasonable:
 - (1) Cure all defaults under the Lease or provide Landlord with Adequate Assurance (see Section (16.03) below) that:
 - (A) it will cure all monetary defaults under the Lease within 10 days from the date of the assumption; and
 - (B) it will cure all nonmonetary defaults under the Lease within 30 days from the date of the assumption;
 - (c) Compensate Landlord and any other person or entity, or provide Landlord with Adequate Assurance that within 10 days after the date of the assumption, it will compensate Landlord and such other person or entity, for any pecuniary loss that Landlord and such other person or entity incurred as a result of the default of Tenant, the trustee, or the debtor-in-possession.
 - (d) Provide Landlord with Adequate Assurance of Future Performance of all of Tenant's obligations under the Lease.
 - (e) Deliver to Landlord a written statement that the conditions in this Section have been satisfied.

SECTION 16.03. Adequate Assurance.

(a) Adequate Assurance - For purposes only of Section 16.02 above, and in addition to any other requirements under the Bankruptcy Code, any future Federal bankruptcy law and applicable case law, "Adequate Assurance" means at least:

- (1) Entering an order segregating sufficient cash to pay Landlord and any other person or entity under Section 16.02 above and
- (2) Granting to Landlord a valid first lien and security interest (in form acceptable to Landlord) in Tenant's property or its bankruptcy estate, which lien and security interest secures the trustee's or debtor-in-possession's obligation to cure the monetary and nonmonetary defaults under the Lease within the periods set forth in Section 16.02 above;

(b) Adequate Assurance of Future Performance - For purposes only of Section 16.02, and in addition to any other requirements under the Bankruptcy Code, any future Federal bankruptcy law and applicable case law, Adequate Assurance of Future Performance means at least:

- (1) The trustee or debtor-in-possession depositing with Landlord, as security for the timely payment of rent and other monetary obligations, an amount equal to the sum of 2 months' minimum rent and 1/6 of Tenant's annual obligation under the Lease for the immediately preceding 12 months for common area costs, Real Estate Taxes and insurance payments and similar charges;
- (2) The trustee or the debtor-in-possession agreeing to pay in advance, on each day that the minimum is payable, 1/12 of Tenant's annual obligation under the Lease for the immediately preceding 12 months for common area costs, real estate tax and insurance payments, promotional fund and similar charges;
- (3) The trustee or debtor-in possession providing adequate assurance of the source of the rent and other consideration due under the Lease;
- (4) The trustee or debtor-in-possession providing adequate assurance that the percentage rent, if applicable due under the Lease will not decline substantially; and
- (5) Tenant's bankruptcy estate and the trustee or debtor-in-possession providing adequate assurance that the bankruptcy estate (and any successor after the conclusion of the Tenant's bankruptcy proceedings) will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the bankruptcy estate (and any successor after the conclusion of the Tenant's bankruptcy proceedings)

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will have sufficient funds to fulfill Tenant's obligations under the Lease and to keep the Premises stocked with merchandise and properly staffed with sufficient employees to conduct a fully-operational, actively-promoted business on the Premises; and

SECTION 16.04. Assignment of Lease.

(a) General - If the trustee or the debtor-in-possession assumes the Lease under Section (16.02) above and applicable bankruptcy law, it may assign its interest in this Lease only if the proposed assignee first provides Landlord with Adequate Assurance of Future Performance of all of Tenant's obligations under the Lease and said assignment is made subject to Article XIII herein.

**ARTICLE XVII
LANDLORD'S RIGHT TO PERFORM RENOVATIONS AND ENTRY**

SECTION 17.01. Entry by Landlord. Landlord and Landlord's agents shall have the right at reasonable times to enter the Premises to inspect the same or to maintain or repair, make alterations or additions to the Premises or any portion thereof or to show the Premises to prospective purchasers, tenants or lenders. Landlord may, at any time, place on or about the Premises any ordinary "for sale" signs; Landlord may at any time during the last one hundred eighty (180) days of the term of the Lease place on or about the Premises any ordinary "for lease" signs. Tenant hereby waives any claim for abatement of rent or for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises and any other loss occasioned thereby. Notwithstanding the language above, Landlord will make every effort to provide Tenants 24 hour notice before accessing the Premise except in the case of an emergency when they may enter without notice.

SECTION 17.02. Landlord's Right to Perform Renovations. .

(a) Tenant understands and agrees that Landlord may, at any time or from time to time during the term of this Lease, perform substantial renovation work in and to the Property or the demised Premises or the mechanical systems serving the Property or the demised Premises (which work may include, but need not be limited to, the repair or replacement of the Property's exterior facade, exterior window glass, elevators, electrical systems, air conditioning and ventilating systems, plumbing system, common hallways, or lobby), any of which work may require access to the same from within the Premises.

(b) Tenant agrees that:

(1) Landlord shall have access to the Premises at all reasonable times, upon reasonable notice, for the purpose of performing such work, and

(2) Landlord shall incur no liability to Tenant, nor shall Tenant be entitled to any abatement of rent on account of any noise, vibration, or other disturbance to Tenant's business at the Premises (provided that Tenant is not denied access to said Premises) which shall arise out of said access by Landlord or by the performance by Landlord of the aforesaid renovations at the Property.

(c) Landlord shall use reasonable efforts (which shall not include any obligation to employ labor at overtime rates) to avoid disruption of Tenant's business during any such entry upon the Premises by Landlord.

(d) It is expressly understood and agreed by and between Landlord and Tenant that if Tenant shall commence any action or proceeding seeking injunctive, declaratory, or monetary relief in connection with the rights reserved to Landlord under this provision, or if Landlord shall commence any action or proceeding to obtain access to the Premises in accordance with this provision, and if Landlord shall prevail in any such action, then Tenant shall pay to Landlord, as additional rent under this Lease, a sum equal to all legal fees, costs, and disbursements incurred by Landlord in any way related to or arising out of such action or proceeding.

**ARTICLE XVIII
ALTERATIONS**

SECTION 18.01. Landlord Consent Needed. Tenant agrees that it will make no alterations, decorations, installations, repairs, additions, improvements, or replacements (hereinafter collectively referred to as "Tenant Changes") in, to, or about the leased Premises without obtaining Landlord's prior written consent.

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SECTION 18.02. Consent Request Procedure. Prior to the commencement of any Tenant Changes, Tenant shall submit to Landlord, for Landlord's written approval, plans and specifications (to be prepared by and at Tenant's sole cost and expense) for the proposed Tenant Changes in detail reasonably satisfactory to Landlord. Landlord agrees to grant or withhold its approval of such plans and specifications within fifteen (15) business days after Landlord's receipt thereof (which request will note on the cover page in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business-day period). If Landlord fails to respond to such request within said fifteen (15) business-day period, the plans and specifications shall be deemed approved, unless Landlord needs to consult with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time. Tenant shall comply with all conditions set forth in the rules and regulations for tenant alterations contained in Landlord's written consent of such Tenant Changes.

SECTION 18.03. Amendment of Plans and Specifications. No Tenant Changes shall be undertaken, started, or begun by Tenant or by its agents, employees, contractors, or anyone else acting for or on behalf of Tenant until Landlord has approved such plans and specifications. No amendments or additions to such plans and specifications as approved shall be made without the prior written consent of Landlord, which consent shall be granted in accordance with the standard used when consent was granted with respect to the initially submitted plans. Landlord agrees to grant or withhold its consent within fifteen (15) business days after Tenant makes request thereof (which request will note on the cover page in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business-day period). If Landlord fails to respond within said fifteen (15) business-day period, the changes to the approved plans and specifications shall be deemed approved, unless Landlord needs to consult with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time.



SECTION 18.04. When Prior Consent Not Needed. Notwithstanding above, with respect to carpeting and painting and other Tenant Changes which (a) are nonstructural in nature (i.e., do not involve changes to the structural elements of the Premises or the Property); (b) do not involve changes to the systems, including, without limitation, the electrical, plumbing, and HVAC system (except for changes to those systems which solely serve the Premises and will not affect the Property's systems); (a) and (b) are hereinafter collectively referred to as "Nonstructural Changes"; and (c) in the aggregate would not cost in excess of \$10,000 when added together with the cost of all other Nonstructural Changes made during the prior 12-month period, Tenant need not obtain Landlord's prior written consent, but must notify Landlord in writing within 10 days prior to the commencement of such Tenant Changes.

SECTION 18.05. When Prior Consent May Not be Unreasonably Withheld. With respect to Nonstructural Changes that would cost alone or in the aggregate in excess of \$10,000 when added together with the cost of all other Nonstructural Changes made during the prior 12-month period, Landlord agrees that it will not unreasonably withhold its consent, provided however, Landlord may, in granting or withholding its consent, consider among other things, including, without limitation, whether the space will be usable for future tenants, or be unusually expensive to redesign or demolish at the end of the term, and will act upon Tenant's request to make such Nonstructural Changes within fifteen (15) business days after Landlord receives Tenant's request for consent (which request must note on the cover in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business days). If Landlord fails to respond within such fifteen (15) business-day period, Tenant's request shall be deemed approved, unless Landlord needs to consult with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time.

SECTION 18.06. Payment by Tenant. Tenant Changes shall be made and completed at Tenant's sole cost and expense and at such times and in such manner as Landlord may from time to time reasonably designate

SECTION 18.07. Approved Contractors and Mechanics. Tenant shall at all times use the contractors and mechanics then appearing on Landlord's approved list if the Tenant Changes involve changes to the Premises or Property's systems and/or structural elements.

SECTION 18.08. Compliance with Laws, Landlord's Rules, and Plans and Specifications. All Tenant Changes shall at all times (a) comply with all laws, rules, orders, and regulations of governmental authorities having jurisdiction thereof and all insurance requirements, (b) comply with the Property's rules and regulations now or hereafter in existence, and (c)

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comply with the plans and Tenant's specifications approved by Landlord

ARTICLE XIX HAZARDOUS SUBSTANCES

SECTION 19.01. Definition. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substances the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§1251 et seq.), the Clean Air Act (42 U.S.C. §§7401 et seq.) the Toxic Substances Control Act, as amended (15 U.S.C. §§2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. §§651 et seq.), as these laws have been amended or supplemented.

The term "Hazardous Substances," as used in this Lease, shall include, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals know to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

SECTION 19.02. Tenant's Responsibility Regarding Hazardous Substances.

(a) Tenant's Restrictions. Tenant shall not cause or permit to occur:

(1) Any violation of any federal, state or local law, ordinance, or regulation now or hereafter enacted, related to environmental conditions on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions, or

(2) The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Premises, or the transportation to or from the Premises of any Hazardous Substance.

(b) Environmental Clean-up.

(1) Tenant shall, at Tenant's own expense, comply with all laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances ("Laws").

(2) Tenant shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Laws.

(3) Should any Authority or any third party demand that a cleanup plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans.

(4) Tenant shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances that is requested by Landlord. If Tenant fails to fulfill any duty imposed under this Paragraph (b) within a reasonable time, Landlord may do so; and in such case, Tenant shall cooperate with Landlord in order to prepare all documents Landlord deems necessary or appropriate to determine the applicability of the Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any Law shall constitute a waiver of any of Tenant's obligations under this Section.

(5) Tenant's obligations and liabilities under this Article shall survive the expiration of this Lease.

SECTION 19.03. Tenant's Indemnity.

(a) Tenant shall indemnify, defend, and hold harmless Landlord, the manager of the Property, and their respective officers, directors, beneficiaries, shareholders, partners, agents, and employees from all fines,

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suits, procedures, claims, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws.

- (b) Tenant's obligations and liabilities under this Article shall survive the expiration of this Lease.

ARTICLE XX EVENTS OF DEFAULT AND LANDLORD'S REMEDIES

SECTION 20.1. Events of Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

(a) Any failure by Tenant to pay the rent required to be paid hereunder, where such failure continues for twenty (20) days after notice by Landlord,

(b) Any failure by Tenant to pay any monetary sums required to be paid hereunder other than rent where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant;

(c) The abandonment or vacation of the Premises by Tenant or the discontinuance by Tenant of the use of the Premises as provided in Section 1.16;

(d) A failure by Tenant to observe and perform under the Rules and Regulations, or any other provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion.

(e) The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

(f) Any other action of Tenant referred to in this Lease as constituting a default or breach by Tenant.

(1) **Chronic Defaults** - Tenant will be in "Chronic Default" under this Lease if Tenant commits a default (either a Monetary or Non-Monetary Default) during any 365-day period in which any of the following combinations of default has already occurred (even though said defaults may have been timely cured): (a) Three Monetary Defaults; or (b) Four Non-Monetary Defaults; or (c) Two Monetary Default and two Non-Monetary Defaults.

(2) **Remedies.** If Tenant is in Chronic Default, Landlord may immediately exercise any or all remedies available under this Lease or at law or in equity, all without giving Tenant any notice or an opportunity to cure the last default causing Tenant's Chronic Default (notwithstanding any notice and cure provision or other lease provision to the contrary).



(3) **Definitions.** For the purposes of this section,

(A) A Monetary Default occurs if Tenant fails to pay any sum of money when due (including, but not limited to, minimum rent and additional rent;

(B) A Non-Monetary Default occurs if Tenant fails to perform any of its obligations under this Lease other timely payment of money.

SECTION 20.02. Landlord's Remedies. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice and demand, and without limiting Landlord in the exercise of any rights or remedy at law or in equity which Landlord may have by reason of such default or breach:

(a) To accelerate the whole or any part of the rent for the entire unexpired balance of the current term of this Lease, as well as all other charges, payments, costs and expenses herein agreed to be paid (or already due and

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payable) by Tenant, and any rent or other charges, payments, costs and expenses if so accelerated shall be deemed due and payable as if, by the terms and provisions of this Lease, such accelerated rent and other charges, payments, costs and expenses were on that date payable in advance.

(b) IF TENANT SHALL DEFAULT IN THE PAYMENT OF THE RENT HEREIN RESERVED OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY TENANT AS DEFINED HEREIN, TENANT HEREBY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR TENANT WITH OR WITHOUT A COMPLAINT IN ANY AND ALL ACTIONS WHICH MAY BE BROUGHT FOR SAID RENT AND SAID OTHER SUMS; AND TO SIGN FOR TENANT AN AGREEMENT FOR ENTERING IN ANY COMPETENT COURT AN AMICABLE ACTION OR ACTIONS FOR THE RECOVERY OF SAID RENTAL AND SAID OTHER SUMS AND IN SAID SUITS OR IN SAID AMICABLE ACTION OR ACTIONS TO CONFESS JUDGMENT AGAINST TENANT FOR ALL OR ANY PART OF SAID RENTAL AND SAID OTHER SUMS, AND FOR INTEREST AND COSTS, TOGETHER WITH AN ATTORNEY'S COMMISSION FOR COLLECTION OF TEN (10%) PERCENT. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE CONFESSED AS AFORESAID FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENTAL AND SAID OTHER SUMS SHALL FALL DUE OR BE IN ARREARS, AND SUCH POWERS MAY BE EXERCISED AS WELL AFTER THE EXPIRATION OF THE TERM OR OTHER TERMINATION OF THIS LEASE AND WHETHER OR NOT ANY SUCH EXERCISE SHALL BE HELD BY ANY COURT TO BE INVALID, VOIDABLE OR VOID.

(c) IF TENANT SHALL DEFAULT IN THE PAYMENT OF THE RENT HEREIN RESERVED OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY TENANT, THIS LEASE MAY, AT THE OPTION OF LANDLORD, BE TERMINATED AND, IN SUCH EVENT, ANY ATTORNEY MAY IMMEDIATELY THEREAFTER, AS ATTORNEY FOR THE TENANT, AT THE SOLE REQUEST OF LANDLORD, SIGN AN AGREEMENT FOR ENTERING IN ANY COMPETENT COURT AN AMICABLE ACTION AND JUDGMENT IN EJECTMENT (WITHOUT ANY STAY OF EXECUTION OR APPEAL) AGAINST TENANT AND ALL PERSONS CLAIMING UNDER TENANT, FOR THE RECOVERY BY LANDLORD OF POSSESSION OF THE PREMISES WITHOUT ANY LIABILITY ON THE PART OF THE SAID ATTORNEY, FOR WHICH THIS SHALL BE A SUFFICIENT WARRANT, AND THEREUPON A WRIT OF POSSESSION MAY ISSUE FORTHWITH WITHOUT ANY PRIOR PROCEEDINGS WHATSOEVER. AND TENANT HEREBY RELEASES LANDLORD OF ALL ERRORS AND DEFECTS WHATEVER IN ENTERING SUCH ACTION OR JUDGMENT, OR CAUSING SUCH WRIT OF POSSESSION TO BE ISSUED, AND HEREBY AGREES THAT NO WRIT OF ERROR OR OBJECTION OR EXCEPTION SHALL BE MADE OR TAKEN THERETO, AND WITH A COPY OF THIS LEASE, VERIFIED BY AFFIDAVIT, BEING FILED IN SUCH ACTION, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS A WARRANT OF ATTORNEY, ANY LAW OR RULE OF COURT TO THE CONTRARY NOTWITHSTANDING. NO SUCH DETERMINATION OF THIS LEASE, NOR TAKING OR RECOVERING POSSESSION OF THE PREMISES, SHALL DEPRIVE LANDLORD OF ANY ACTION AGAINST TENANT FOR POSSESSION AND FOR THE RENTS, CHARGES, PAYMENTS, COSTS AND EXPENSES REFERRED TO IN THIS ARTICLE.

(d) Landlord shall have a lien on all trade fixtures, furnishings, equipment and other personal property of Tenant which are placed in, or become a part of, the Premises, as security for the rents, charges, payments, costs and expenses referred to herein, which lien shall not be in lieu of or in any way affect the statutory Landlord's lien given by law, but shall be cumulative thereto. Tenant hereby grants to Landlord a security interest in all such personal property above enumerated for such purposes.

(e) Re-enter upon the Premises with or without process of law and take possession of the same and of all trade fixtures, furnishings and equipment of Tenant including the right to change door locks and suspend utilities and services and expel or remove Tenant and all other parties occupying the Premises, using such force as may reasonably be necessary to do so without being liable to Tenant for any loss or damage occasioned thereby. Such personal property of Tenant may be removed by Landlord from the Premises and stored for the account of and at the expenses and risk of Tenant; or Landlord may, at its option, and after giving Tenant five (5) days' prior written notice thereof, sell said personal property at public or private sale for such price and upon such terms as Landlord may determine, applying the proceeds of such sale against the balance owing by Tenant to Landlord under this Lease, including the expense of such removal and sale.

(f) Terminate this Lease, or from time to time, without terminating this Lease, relet the Premises or any part thereof on such terms and conditions as Landlord, in its sole discretion, shall determine with the right to make alterations and repairs to said Premises; provided, however, that Landlord shall in no way be responsible or liable for any failure to relet the Premises or any part thereof or for any failure to collect any rent due upon any such reletting. In the event Landlord relets the Premises from time to time, the rentals so received shall be applied first to the payment of any obligation other than rent due hereunder from Tenant to Landlord, then to the payment of the cost of such reletting, including attorneys' fees and

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broker's commission which Landlord may have paid or incurred in connection with such repossession and reletting, then to the payment of the costs of any alteration or repair to the Premises to make them tenantable or acceptable to a new tenant, then to the payment of rent and other charges, payments, costs and expenses referred to herein due and unpaid hereunder and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same may become due and payable hereunder. Whether or not the Premises are relet, the Tenant shall pay Landlord until the end of the term the amount of all rent and other charges required to be paid by Tenant hereunder, less the proceeds of such reletting during the term hereof, if any, after payment of the foregoing expenses.

(g) Landlord shall not by such re-entry or any other act be deemed to have terminated this Lease or the liability of Tenant for the total rent reserved hereunder unless Landlord shall give to Tenant written notice of Landlord's election to terminate this Lease. In the event that Landlord shall terminate this Lease as provided herein, Landlord shall thereupon be entitled to recover from Tenant the worth, at the time of such termination, or the excess, if any, of the rent and other charges required to be paid by Tenant hereunder for the balance of the term (if this Lease had not been so terminated) over the then reasonable rental value of the Premises for such period.

(h) No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy herein or by law provided but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.



ARTICLE XXI TRADE FIXTURES - SURRENDER OF PREMISES - HOLDOVER

SECTION 21.01. Trade Fixtures. All trade fixtures hereafter installed by Tenant in the demised premises shall be new or good condition, shall remain the property of Tenant and shall be removable by Tenant at the expiration or earlier termination of the term of this Lease provided that: (a) Tenant shall not at such time be in default under this Lease and (b) in the event of the removal of any or all of such trade fixtures Tenant shall promptly restore the damage done to the premises by the installation and/or removal thereof. Should Tenant fail to so remove Tenant's trade fixtures and/or to so restore the premise, Landlord may do so, collecting at Landlord's option, the cost and expense thereof, as additional rent, upon demand. Any such trade fixtures which are not removed and those which by the terms of the Lease are not removable by Tenant at or prior to any termination of this Lease including, but not limited to, a termination by Landlord pursuant to this Lease, shall unless Landlord gives Tenant notice to remove any or all of such trade fixtures, be and become the property of Landlord (without any obligation by Landlord to pay compensation for such trade fixtures). In the event Landlord gives Tenant such notice to remove any or all of such trade fixtures, Tenant shall promptly remove such of the trade fixtures as may be specified by Landlord in such notice. Notwithstanding anything herein contained to the contrary or any decision of any court to the contrary, the term "trade fixtures" shall not include any air-conditioning, heating, lighting, electrical and plumbing equipment installed by Tenant in the demised premises, nor any wiring or other apparatus related thereto.

SECTION 21.02. Surrender of Premises. At the expiration of or earlier termination of the term of this Lease, Tenant shall peaceably surrender the leased Premises in the same condition including, but not limited to, the conditions of cleanliness, as the leased premises were upon the Commencement Date, ordinary wear and tear excepted to the extent the leased Premises is not required to be repaired and/or maintained by Tenant and damage by unavoidable casualty excepted to the extent that the same is covered by Landlord's fire insurance policy with extended coverage endorsement, and Tenant shall surrender all keys for the leased Premises to Landlord at the place then fixed for the payment of rent and shall notify Landlord in writing of all combinations of locks, safes and vaults, if any, in the leased Premises. Tenant shall comply with the provisions of this Article respecting the removal of its trade fixtures before surrendering the premises as aforesaid. Tenant's obligation to observe and perform the covenants set forth herein shall survive the expiration or earlier termination of the term of this Lease.

SECTION 21.03. Tenant Holdover. If Tenant shall default in surrendering the Premises upon the expiration or earlier termination of the term of this Lease, the following shall occur:

(a) Tenancy-at-Will - Tenant's occupancy subsequent to such expiration or termination, whether or not with the consent or acquiescence of Landlord, shall be deemed to be that of a tenancy-at-will and in no event from month-to-month or from year-to-year and it shall be subject to all terms, covenants and conditions of this Lease applicable thereto, including, without limitation, those set forth in this holdover provision. In the event that Tenant defaults or remains in possession of the Premises or any part thereof after the expiration of the tenancy-at-will created hereby then Tenant's

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occupancy shall be deemed a tenancy-at-sufferance and not a tenancy-at-will.

(b) **Minimum Rent Increase** - During the first month and for the remainder of the period in which Tenant holds over the minimum rent shall be equal to 1.5 times the monthly amount payable during the last year of the term.

(c) **No Renewal** - No option to extend or renew this Lease shall have been deemed to have occurred by Tenant's holdover. Any and all options to extend or renew set forth in this Lease shall be deemed terminated and shall be of no further effect as of the first date the Tenant holds over.

(d) **Tenant Liable for Damages** - In addition to the payment of the increased minimum rent as set forth above and all additional rent, Tenant shall be liable to Landlord for all costs, losses, claims or liabilities (including attorney's fees) which Landlord may incur as a result of Tenant's failure to surrender possession of the Premises to Landlord upon the expiration or earlier termination of this Lease.

(e) **Minimum Legal Fees** - In the event Landlord shall commence proceedings to dispossess Tenant by reason of Tenant's default or Tenant's holdover after the expiration of the tenancy hereby created, then Tenant shall pay as additional rent, in addition to costs and disbursements, minimum legal fees of \$1,000 for each proceeding so commenced. In the event said legal fees exceed \$1,000 for each proceeding, Tenant shall pay, as additional rent, the full amount of the legal fees, in addition to costs and disbursements.

(f) **No Liquidated Damages** - In no way shall the increased minimum rent set forth in subsection (b) hereof or any other monetary or nonmonetary requirements set forth in this Lease be construed to constitute liquidated damages for Landlord's losses resulting from Tenant's holdover.

(g) **No Landlord Consent** - Nothing contained herein shall be construed to constitute Landlord's consent to Tenant holding over at the expiration or earlier termination of this Lease term or to give Tenant the right to hold over after the expiration or earlier termination of the Lease term.

ARTICLE XXII MISCELLANEOUS

SECTION 22.01. Successors. All rights, obligations and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, trustees, receivers, legal representatives, successors and assigns of the said parties; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee, legal representative, trustee, receiver, legatee or other personal representative of Tenant unless the assignment to such party has been approved by Landlord in writing pursuant to the terms of this Lease.

SECTION 22.02. Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver or any subsequent breach of the same or a waiver of any other term, covenant or condition herein contained.

SECTION 22.03. Custom and Usage. Any law, usage or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the covenants and conditions of this Lease in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of the Landlord in refraining from so doing at any time or times with respect to the Tenant hereunder or with respect to other tenants of the Property. The failure of Landlord at any time or times to enforce its rights under said covenants and provisions strictly in accordance with the same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions and covenants of this Lease or as having in any way or manner modified the same.

SECTION 22.04. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any payment of rent or other charges herein stipulated shall be deemed to be other than on account of the earliest stipulated rent or other charges then due and payable, nor shall any endorsement, or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease, at law or in equity.

SECTION 22.05. Performance of Tenant's Covenants. Tenant covenants and agrees that it will perform all

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agreements and observe all covenants herein expressed on its part to be performed and observed and that it will promptly, upon receipt of written notice specifying action desired by Landlord in connection with any such agreement or covenant, comply with such notice; and further, that if Tenant shall not comply with any such notice to the satisfaction of Landlord prior to the date on which such non-compliance would constitute an Event of Default, in addition to, and not in lieu of or in limitation of any other remedy which Landlord may have pursuant to this Lease, at law or in equity, Landlord may, but shall not be obligated to, enter upon the premises and do the things specified in said notice. Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action and Tenant agrees to pay upon demand, as additional rent, any expense incurred by Landlord in taking such action. Notwithstanding the foregoing, Landlord's performance of any or all of Tenant's covenants shall not release Tenant from liability for non-performance.

SECTION 22.06. No Partnership. Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with Tenant.

SECTION 22.07 Notices. All notices given to Landlord hereunder shall be writing and forwarded to it at the address shown in Article I, Section 1.04, postage prepaid, by registered or certified mail, return receipt requested. All notices to Tenant shall be forwarded to it at the address set forth in Article I, Section 1.06 of Lease until Landlord is notified otherwise in writing, by postage prepaid, registered or certified mail, return receipt requested or by delivery in person and in the event of a delivery in person, the affidavit of the person making such delivery shall be conclusive proof of the delivery and of the date and time of such delivery. All notices shall be deemed to have been given on the date when deposited in the mail receptacles maintained by the corporation which has been chartered by the United States Government to operate and deliver the mail as aforesaid, or, in the case of notices delivered in person to Tenant, when so delivered. Notices by the Landlord may be given on its behalf by Agent or by any attorney for Landlord.

SECTION 22.08. Captions and Index. The captions and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such Section or Articles of this Lease nor in any way affect this Lease.

SECTION 22.09. Tenant Defined; Use of Pronoun. The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural number where there is more than one Landlord or Tenant and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

SECTION 22.10. Liability of Agent. Any entity Agent for Landlord is acting as Agent only and in such capacity shall not in any event be held liable to the Landlord or to Tenant for the fulfillment or non-fulfillment of any of the terms, covenants or conditions of this Lease or for any action or proceedings that may be taken by Landlord against Tenant, or by Tenant against Landlord. Any waiver of Landlord's liability hereunder, including any waiver of subrogation rights, shall apply with equal force and effect of such Agent.

SECTION 22.11. Effect of Governmental Limitation on Rents and Other Charges. In the event that any law, decision, rule or regulation of any governmental body having jurisdiction shall have the effect of limiting for any period of time the amount of rent or other charges payable by Tenant to any amount less than that otherwise provided pursuant to this Lease, the following amounts shall nevertheless be payable by Tenant; (a) throughout such period of limitation, Tenant shall remain liable for the maximum amount of rent and other charges which are legally payable (without regard to any limitation to the amount thereof expressed in this Lease except that all amounts payable by reason of this Section shall not in the aggregate exceed the total of all amounts which would otherwise be payable by Tenant pursuant to the terms of this Lease for the period of limitation), (b) at the termination of such period of limitation, Tenant shall pay to Landlord, on demand but only to the extent legally collectible by Landlord, any amounts which would have been due from the Tenant during the period of limitation but which were not paid because of such limiting law, decision, rule or regulation, and (c) for the remaining term of this Lease following the period of limitation, Tenant shall pay to Landlord all amounts due for such portion of the term of

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this Lease in accordance with the terms hereof calculated as though there had been no intervening period of limitation.

SECTION 22.12. Partial Invalidity; Separate Covenants. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law. Furthermore, each covenant, agreement, obligation and other provision contained in this Lease is, and shall be deemed and construed as a separate and independent covenant of the party bound by, undertaking or making the same, and not dependent on any other provision of this Lease unless expressly so provided.

SECTION 22.13. Entire Agreement. This Lease and the Exhibits attached, if any, form a part of this Lease together with the rules and regulations adopted and promulgated by the Landlord hereof and set forth all the covenants, promises, assurances, agreements, representations, conditions, warranties, statements, and understandings between the Landlord and the Tenant concerning the Leased Premises and the Property, and there are no representations, either oral or written, between them other than those in this Lease. This Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, representations, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other person purporting to represent the Landlord or the Tenant. The Tenant acknowledges that it has not been induced to enter into this Lease by any representations not set forth in this Lease, it has not relied on any such representations, no such representations shall be used in the interpretation or construction of this Lease, and the Landlord shall have no liability for any consequences arising as a result of any such representations. Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon the Landlord or the Tenant unless in writing and signed by each of them.



SECTION 22.14. Attorney Fees. Tenant hereby agrees to pay, as additional rent, all attorney's fees and disbursements (and all other court costs or expenses of legal proceedings) which Landlord may incur or pay out by reason of, or in connection with:

- (a) Any action or proceeding by Landlord to terminate the Lease;
- (b) Any other action or proceeding by Landlord against Tenant (including, but not limited to, any arbitration proceeding) where Landlord secures a judgment against Tenant;
- (c) Any default by Tenant in the observance or performance of any obligation under the Lease (including, but not limited to, matters involving: payment of rent and additional rent; computation of escalations; alterations or other Tenant's work; and subletting or assignment) whether or not Landlord commences any action or proceeding against Tenant;
- (d) Any action or proceeding brought by Tenant against Landlord (or any officer, partner, or employee of Landlord) in which Tenant fails to secure a final unappealable judgment against Landlord;
- (e) Any other appearance by Landlord (or any officer, partner or employee of Landlord) as a witness or otherwise in any action or proceeding whatsoever involving or affecting Landlord, Tenant, this Lease;
- (f) Any amendment, modification or extension of this Lease (and any negotiations with respect thereto); or a Landlord's waiver or any non disturbance agreement or other documents required by Tenant;
- (g) Any assignment, sublease, or leasehold mortgage proposed or granted by Tenant (whether or not permitted under this Lease), and all negotiations with respect thereto; and
- (h) Any alteration of the Premises by Tenant, and all negotiations with respect thereto.

Tenant's obligations under this Section shall survive the expiration of the Term or any other termination of this Lease. This Section is intended to supplement (and not to limit) other provisions of this Lease pertaining to indemnities and/or attorney's fees.

SECTION 22.15. Commercial Lease. The parties acknowledge and agree that this is a commercial lease within the laws of Pennsylvania.

SECTION 22.16. No Construction Against Preparer. This Lease has been prepared by Landlord and its professional advisors and reviewed by Tenant and its professional advisors. Landlord, Tenant and their separate advisors believe that this Lease is the product of their joint efforts, that it expresses their agreement, and that it should not be

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interpreted in favor of either Landlord or Tenant or against either Landlord or Tenant merely because of their efforts in its preparation, and that, in any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of this Lease or any of its terms or conditions, there shall be no inference, presumption, or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease or any portion thereof.

SECTION 22.17. Authority. Tenant represents and warrants that it is duly formed and in good standing and if the Tenant is a Corporation or a Partnership, has full corporate or partnership power and authority, as the case may be, to enter into this Lease and has taken all corporate or partnership action, as the case may be, necessary to carry out the transaction contemplated herein, so that when executed, this Lease constitutes a valid and binding obligation enforceable in accordance with its terms. Tenant shall provide Landlord with corporate resolutions, Partnership Agreements or other proof in a form acceptable to Landlord authorizing the execution of the Lease at the time of such execution.

SECTION 22.18. Tenant Representation. Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Premises and the Property and is relying solely on its own judgment in entering into this Lease; specifically, and without limitation, Tenant represents and warrants to Landlord that Tenant has had an opportunity to measure the actual dimensions of the Premises, the Landlord makes no representation or warranty as to the usable or rentable square footage of the Premises.

SECTION 22.19. Default by Landlord. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Any claim, demand, right or defense by Tenant that arises out of this Lease or the negotiations that preceded this Lease shall be barred unless Tenant commences an action thereon, or interposes a defense by reason thereof, within six (6) months after the date of the inaction, omission, event or action that gave rise to such claim, demand, right, or defense. Tenant acknowledges and understands, after having consulted with its legal counsel, that the purpose of this paragraph is to shorten the period within which Tenant would otherwise have to raise such claims, demands, rights or defenses under applicable laws.

SECTION 22.20. Transfer of Landlord's Interest. In the event of a sale or conveyance by Landlord of Landlord's interest in the Premises other than a transfer for security purposed only, Landlord shall be relieved from and after the date specified in such notice of transfer of all obligations and liabilities accruing thereafter on the part of the Landlord, provided that any funds in the hands of Landlord at the transfer in which Tenant has an interest, shall be delivered to the successor of Landlord. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee provided all Landlord's obligations hereunder are assumed in writing by the transferee

SECTION 22.21. Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, terrorism or bio-terrorism, military attack, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not operate to excuse Tenant from prompt payment of minimum rent and other charges or any other payments required by the terms of this Lease.

SECTION 22.22. Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or a combination of two or more) are the Tenant, the liability of each individual, corporation, partnership or other business association is joint and several. If Tenant is a partnership or other business association, the members of which are subject to personal liability, the liability of each member is joint and several.

SECTION 22.23. Time of the Essence. Time shall be of the essence of this Lease and of each of the provisions hereof.

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SECTION 22.24. Guarantee. This Lease is conditioned upon Tenant acquiring the Guarantee of Lease marked Exhibit "C" attached hereto and incorporated herein by reference.

SECTION 22.25. Recording. Tenant shall not record this Lease without the written consent of Landlord. If Landlord requests, the parties shall execute and acknowledge a short form of lease for recording purposes which shall be recorded at Landlord's expense.

SECTION 22.26. Capacity of Tenant. Tenant warrants that Tenant is acting for its own account in this transaction and is not acting as an agent, trustee, executor, or in any other representative capacity whatsoever.

SECTION 22.27. Brokerage Commission. Tenant and Landlord recognize Tipton & Associates, LLC as the exclusive agent representative for Tenant in this transaction and that landlord has agreed to compensate Tipton & Associates, LLC a commission fee under separate agreement. Other than Landlord's agent, Keystone Commercial Real Estate, both Landlord and Tenant have had no dealing, negotiations or consultations with respect to the Premises, the Property or this transaction with any broker, finder or agent and that no broker, finder or agent called the Premises or any other space in the Property to Tenant's attention for lease. In the event that any other broker, finder or agent claims to have submitted the Premises or any other spaces in the Property to Tenant, to have induced Tenant to lease the Premises or to have taken part in any dealings, negotiations or consultations with respect to the Premises, the Property or this transaction, Tenant will be responsible for and will defend, indemnify and save Landlord harmless from and against all costs, fees (including without limitation attorney's fees) expenses, liabilities and claims incurred or suffered by Landlord as a result thereof.

IN WITNESS WHEREOF the respective parties hereto have caused these presents to be signed, sealed and delivered on the date first above written, and the parties warrant that they have the authority to execute this Lease.

THIS LEASE MUST BE EXECUTED FOR TENANT, IF A CORPORATION, BY THE PRESIDENT OR VICE PRESIDENT AND ATTESTED BY THE SECRETARY OR ASSISTANT SECRETARY AND NOTARIZED AND SUBMITTED TO LANDLORD WITH THE APPROPRIATE CORPORATE RESOLUTION.

THIS LEASE MUST BE EXECUTED FOR TENANT, IF AN INDIVIDUAL(S), BY EACH INDIVIDUAL(S) AND THEIR SPOUSES AND EACH SIGNATURE MUST BE WITNESSED AND NOTARIZED.

THIS LEASE MUST BE EXECUTED FOR TENANT, IF A PARTNERSHIP, BY A GENERAL PARTNER(S) HAVING THE APPROPRIATE AUTHORITY AND EACH SIGNATURE MUST BE WITNESSED AND NOTARIZED AND THE GENERAL PARTNER(S) EXECUTING THIS LEASE MUST FURNISH THE LANDLORD WITH THE APPROPRIATE DOCUMENTS SETTING FORTH THE GENERAL PARTNER(S) AUTHORIZATION TO SIGN THIS LEASE.

Attest:

TENANT: The Pennsylvania Cyber Charter School

By: [Signature]

By: [Signature]

Title: Owner

Print or Type Name: Michael S. Conti
Title: CEO

Date: _____

Attest:

LANDLORD

By: [Signature]
Administrative Assistant

By: [Signature]
CEO, Keystone Real Estate Group, LP

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
SEE ATTACHED ACKNOWLEDGEMENT

Title: _____

Print or Type Name:

Title:

Date: _____

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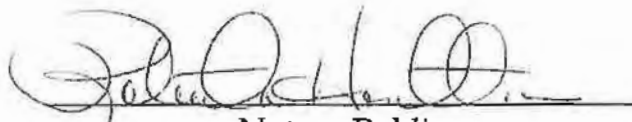
FORM OF INDIVIDUAL ACKNOWLEDGMENT

Commonwealth of Pennsylvania

County of BEAVER

On this, the 25TH day of June, 2014, before me
ROBERTA HAMILTON (NOTARY), the undersigned officer, personally
appeared MICHAEL J CONTI CEO,
known to me (or satisfactorily proven) to be the person /S
_____ subscribed to the within instrument, and acknowledged that
_____ he _____ executed the same for the purposes therein contained.

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


Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Roberta Hamilton, Notary Public
Midland Boro, Beaver County
My Commission Expires Nov. 16, 2014
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF CENTRE)

On this, the _____ day of _____, 20____, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF)

On this, the _____ day of _____, 20____, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of _____, a corporation, and that he as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.



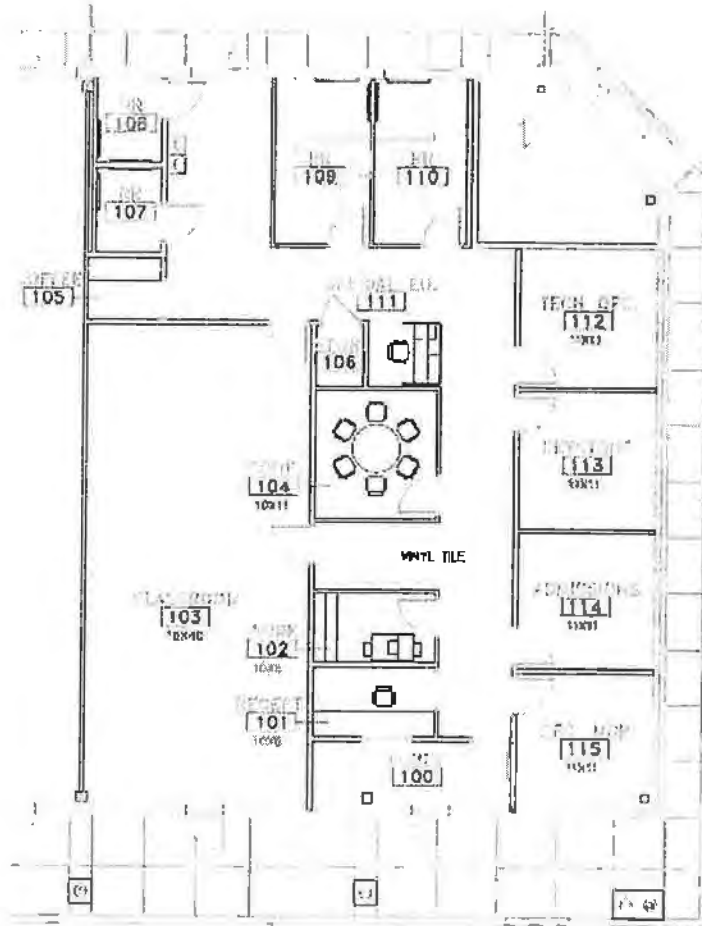
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EXHIBIT "A" - Leased Premises - 1700 South Atherton St, State College, PA

Note: Tenant acknowledges that the sole purpose of this Exhibit is to identify the location of the Premises. Landlord makes no representation or warranty as to the usable or rentable square footage of the Premises.



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EXHIBIT "B"

Landlord's Work

Demolition:

By Owner (\$13,520 @ \$5.00 per square foot – 2,704 square feet). Owner is at risk for demolition.

Premise to be delivered in broom swept condition.

Tenant's Work

Tenant's contractor contemplates some remodeling of the Premise. Tenant shall provide Landlord with copies of plans before they submit to Center Region Code for Landlord approval, which will not be unreasonably withheld. Tenant is thereafter responsible for all construction related activities and costs.



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EXHIBIT "C"
GUARANTY AND SURETYSHIP AGREEMENT

1. To induce Landlord to enter the Lease Agreement attached hereto with the Tenant, the Guarantors, hereinafter referred to as the "Undersigned" and as defined below, do hereby guarantee, absolutely and unconditionally, and do hereby become surety for the full and timely payment of the rental and all obligations during the first term of the lease attached hereto between Roystone Real Estate Group, LP and Pennsylvania Cyber Co. S. This Guaranty and Suretyship Agreement shall expire at the end of the first lease term. The Undersigned shall reimburse Landlord or any subsequent Landlord for all expenses incurred, and not reimbursed by Tenant, in collection of any obligations pursuant to this Lease. If this Guaranty and Suretyship Agreement is referred for collection to an attorney, the Undersigned shall pay Landlord's reasonable attorney's fees and costs of legal proceedings. The Undersigned's Obligations hereunder shall be payable at the Landlord's office at 444 East College Avenue, Suite 560, State College, Pa., 16801.

2. This is a guaranty of payment and not merely of collection. In the event of any default by Tenant in payment or otherwise on any Obligation or Covenant, the Undersigned will pay all or any portion of Obligations due or thereafter becoming due, whether by acceleration or otherwise, without defalcation or offset of any kind, without Landlord first being required to make demand upon Tenant or pursue any of its rights against Tenant, or against any other person, including other guarantors; and without being required to liquidate or realize on any collateral security. All actions by Landlord shall join both Tenant and the Undersigned.

3. Landlord, without notice to the Undersigned, may deal with Obligations and any collateral security therefor in such manner as Landlord may deem advisable and may renew or extend Obligations or any part thereof; may accept partial payment, or settle, release, or compromise the same; may demand additional collateral security for Obligations, and substitute or release the same; and may compromise or settle with or release and discharge from liability any of the Undersigned or any other guarantor of Obligations, or any other person liable to Landlord for all or part of the Obligations, all without impairing the liability of the Undersigned hereunder.

4. The Undersigned hereby unconditionally waive: (a) notice of acceptance of this Guaranty and Suretyship Agreement by Tenant and any notice of the incurring by Tenant of Obligations; (b) presentment for payment, notice of nonpayment, demand, protest, notice of protest and notice of dishonor or default to any party including the Undersigned; (c) all other notices to which the Undersigned may be entitled but which may legally be waived; (d) demand for payment as a condition of liability under this Guaranty and Suretyship Agreement; (e) all rights under any state or federal statute dealing with or affecting the rights of creditors; and (f) until Obligations are paid in full, any right to subrogation or realization on any of Tenant's property, including participation in the marshalling of Tenant's assets.

5. The Undersigned hereby unconditionally waive all rights of subrogation, contribution and indemnification, whether direct or contingent, which the Undersigned might have by contract or by operation of law against the Tenant, including but not limited to the right of subrogation for any payments made by the Tenant to Landlord. The Undersigned specifically waive any claim which the Undersigned might have with respect to payments made by Tenant to Landlord which are determined to be preferences within the meaning of the bankruptcy laws of the United States.

6. The Undersigned warrants to Landlord: (a) no other agreement, representation or special condition exists between the Undersigned and Landlord regarding the liability of the Undersigned hereunder; nor does any understanding exist between the Undersigned and Landlord that the Obligations of the Undersigned hereunder are or will be other than as set out herein; and (b) as of the date hereof the Undersigned has no defense whatsoever to any action or proceeding that may be brought to enforce this Guaranty and Suretyship Agreement

7. No failure or delay on the part of Landlord in exercising any right, power or privilege hereunder shall



operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. Failure by Landlord to insist upon strict performance hereof shall not constitute a relinquishment of its right to demand strict performance at another time. Receipt by Landlord of any payment by any person on Obligations, with knowledge of default on any of Obligations or a breach of this Guaranty and Suretyship Agreement, or both shall not be construed as a waiver of the default or breach

8. THIS GUARANTY AND SURETYSHIP AGREEMENT IS A CONTINUING GUARANTY AND SHALL CONTINUE IN FORCE UNTIL ALL EXISTING OBLIGATIONS OF THE TENANT TO LANDLORD ARE PAID.

9. This Guaranty and Suretyship Agreement is freely assignable and transferable by Landlord; however the duties and obligations of the Undersigned may not be delegated or transferred by the Undersigned without the written consent of Landlord, which consent shall not be unreasonably withheld. The rights and privileges of Landlord shall inure to the benefit of its successors and assigns, and the duties and obligations of the Undersigned shall bind the Undersigned's heirs, personal representatives, successors and assigns.

10. If any provision hereof shall for any reason be held invalid or unenforceable, no other provision shall be affected thereby, and this Guaranty and Suretyship Agreement shall be construed as if the invalid or unenforceable provision had never been a part of it.

11. As used herein, "Undersigned" refers individually and collectively to all signers of this Guarantyship and Suretyship Agreement, including in the case of any partnership all general partners of such partnership individually and collectively, whether or not such partners sign below. The Undersigned shall each be jointly and severally bound by the terms hereof, and each general partner of any partnership executing this Guaranty and Suretyship Agreement shall be bound hereby both in such general partner's individual and partnership capacities.

12. This Guaranty and Suretyship Agreement shall in all respects be governed by the laws of the state of Pennsylvania.

13. THE UNDERSIGNED HEREBY EMPOWERS THE PROTHONOTARY OR ANY ATTORNEY OF COURT OF RECORD TO APPEAR FOR THE UNDERSIGNED AND TO CONFESS JUDGMENT AS OFTEN AS NECESSARY AGAINST THE UNDERSIGNED IN FAVOR OF THE HOLDER HEREOF, AS OF ANY TERM, FOR THE ABOVE DESCRIBED OBLIGATIONS PLUS INTEREST DUE, TOGETHER WITH THE COSTS OF SUIT AND AN ATTORNEY'S COMMISSION EQUAL TO THE LESSER OF (A) 20% OF ALL SUCH OBLIGATIONS OR \$500 WHICHEVER IS GREATER, OR (B) THE MAXIMUM AMOUNT PERMITTED BY LAW, WITH RELEASE OF ALL ERRORS

WITNESS the due execution hereof this 8th day of July, 2014

WITNESS:

Robert B. [Signature]

[Signature], CEO (SEAL)

_____ (SEAL)

_____ (SEAL)

Initials [Signature]
Initials [Signature]

SEE ATTACHED AFFIDAVIT

FORM OF AFFIDAVIT

Commonwealth of Pennsylvania }
County of BEAVER } SS:

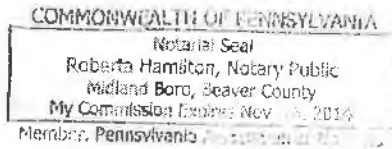
Before me, the undersigned notary public, personally appeared MICHAEL J. COULTER CEO to me known or proven, who being

duly sworn according to law, doth depose and say HE AGREES TO TERMS OF GUARANTY AND SURETYSHIP AGREEMENT BETWEEN KEYSTONE REAL ESTATE GROUP LP AND PA CYBER

and further deponent sayeth not.

[Signature]
Signature of Affiant

Sworn to and subscribed before me this



8TH day of July 2014
[Signature]
Notary Public

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TRIPLE NET LEASE AGREEMENT

ARTICLE I: FUNDAMENTAL LEASE PROVISIONS & EXHIBITS

SECTION 1.01. Fundamental Lease Provisions for the Premises Located At:

1700 S Atherton Street
 State College, PA 16801
 Approximately 4,223 Square Feet

Handwritten:
 1700 + 1712
 2704 + 1457
 4,161

"Premises" or demised or leased "Premises" for the purpose of this Lease is that certain space designated by Landlord and Tenant as the area to be occupied by the Tenant pursuant to the terms of this Lease. "Property", for the purposes of this Lease shall mean the Building or Buildings, Shopping Center, Structure or Structures, Storeroom, Land, Site or other Real Property including Common Areas, if any, and other appurtenances comprising the leased Premises or of which the leased Premises is a part, hereinafter referred to as the "Property".

SECTION 1.02. Date of Lease. November 1, 2018, which is the date both parties have executed the lease, hereinafter referred to as the "Effective Date".

SECTION 1.03. Landlord. Keystone Real Estate Group, L.P., Agents for Owners

SECTION 1.04. Contact Information of Landlord.

Street & Mailing Address	Telephone	E-mail
444 E. College Avenue, Suite 560 State College, PA 16801	814-237-0311	kweader@kreglp.com

SECTION 1.05. Tenant. The Pennsylvania Cyber Charter School

SECTION 1.06. Address of Tenant and others specified for notice.

652 Midland Ave
 Midland, PA 15059

SECTION 1.07. Tenant Information.

Brian Hayden 724-643-1180

SECTION 1.08. Initial Term of Lease. 11/1/18 – 10/31/28 (10 years)

SECTION 1.09. Minimum Rent and Rent Increases.

	Base Rate	Increase	Annual Base	TIA	Annual Rent	Monthly Rent	PSF
year 1	84,460.00			25,175.52	\$ 109,635.52	\$ 9,136.29	\$ 25.96
year 2	84,460.00	2,111.50	86,571.50	25,175.52	\$ 111,747.02	\$ 9,312.25	\$ 26.46
year 3	86,571.50	2,164.29	88,735.79	25,175.52	\$ 113,911.31	\$ 9,492.61	\$ 26.97
year 4	88,735.79	2,218.39	90,954.18		\$ 90,954.18	\$ 7,579.52	\$ 21.54
year 5	90,954.18	2,273.85	93,228.04		\$ 93,228.04	\$ 7,769.00	\$ 22.08
year 6	93,228.04	2,330.70	95,558.74		\$ 95,558.74	\$ 7,963.23	\$ 22.63
year 7	95,558.74	2,388.97	97,947.71		\$ 97,947.71	\$ 8,162.31	\$ 23.19
year 8	97,947.71	2,448.69	100,396.40		\$ 100,396.40	\$ 8,366.37	\$ 23.77
year 9	100,396.40	2,509.91	102,906.31		\$ 102,906.31	\$ 8,575.53	\$ 24.37
year 10	102,906.31	2,572.66	105,478.97		\$ 105,478.97	\$ 8,789.91	\$ 24.98

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Increase 2.50%
SF 4,161 ~~4,223~~

SECTION 1.10. Construction Term / Free Rent Term (effective possession date). Not applicable

SECTION 1.11. Renewal Option. Tenant shall have the right to extend the term of this Lease for one (1) additional period of five (5) years by giving written notice to Landlord not less than six (6) months prior to the expiration of the then-current term.

SECTION 1.12. Option Rent. See SECTION 1.09

SECTION 1.13. Security Deposit. \$4,056.00 / 1 month – Held in escrow from Prior Lease (as defined in Section 1.22)
Prepaid Rent. \$0

SECTION 1.14. Tenant Expenses for utilities and services, taxes, insurance, common area and other charges.
Tenant shall be responsible for its share of the expenses (as set forth in Sections 1.15 and 1.16 hereof) for the following utilities and services on or after the Commencement Date of this lease and as long as the lease shall remain in full force and effect: All Utilities, All Taxes and Insurance, Refuse Collection, Pest Control Services, Snow Removal, Grounds Maintenance, Annual HVAC Maintenance, Fire Safety Program License, Janitorial and Maintenance of Common Premises.

*Any additional fees assessed by Borough for refuse, other than the fee for the dumpster, already paid by landlord.

SECTION 1.15. Tenant's Share of Expenses. Charges Applicable to Strip Center Solely – 24.75% (4,223/17,064). Charges Applicable to Entire Center – 15.47% (4,223/27,301).

SECTION 1.16. Tenant's Permitted Uses of the leased Premises. Office/Educational Use (Type E Classification) for Charter School related activities.

SECTION 1.17. Tenant's Insurance Requirements. \$2,000,000.00 Commercial Liability Insurance

SECTION 1.18. Late Fees, Date Late Fees Apply & Charges. Late Fees of 1% of the outstanding balance will be assessed monthly on the 6th day of the month.

SECTION 1.19. Landlord and Tenant Required Improvements for Leased Premises. Landlord and Tenant hereby acknowledge and agree that Tenant currently occupies approximately 2,704 square feet of the Premises (the "Original Premises"). By this Lease, Landlord is leasing to Tenant, and Tenant is leasing from Landlord, the Original Premises plus an additional adjacent space consisting of approximately 1,519 square feet of space (the "New Premises"). The Original Premises and the New Premises are collectively referred to herein as the "Premises". Tenant hereby accepts the Original Premises in "as is" condition. Landlord will deliver the New Premises to Tenant on or before November 1, 2018 in the "as is condition" and otherwise in broom clean condition, free of debris, with all building systems serving the New Premises in good, working order, and any and all plumbing traps are clean and in operable condition. Landlord acknowledges that Tenant plans to renovate the Premises based upon code approved drawings and specifications provided by Tenant to Landlord for approval, which will not be unreasonably withheld. If Tenant requests additional improvements during the lease term, Tenant will provide drawings and written request for Landlord's approval not to unreasonably withheld, conditioned or delayed. No improvements shall be made without Landlord's written acceptance of Tenant's proposal. Freestanding furniture and business equipment shall be allowed without Landlord approval.

1700 S. Atherton

1712 S. Atherton

SECTION 1.20. Possession Date. November 1, 2018, on which Landlord shall deliver possession to Tenant.

SECTION 1.21. Lease Commencement Date. November 1, 2018, on which the Lease term commences and Tenant shall pay rent and other charges to Landlord

SECTION 1.22. Other Provisions. Landlord and Tenant agree to terminate previous lease for Creekside Plaza dated Aug 20, 2015

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effective 10/31/18 (the "Prior Lease") and replace that lease with this new lease dated November 1, 2018 for more square footage.

SECTION 1.23. Exhibits. Exhibits attached hereto are incorporated into this Lease and are to be construed as an integral part of this Lease. There are 2 Exhibits attached to this lease: **Exhibit A – Rules & Regulations; Exhibit B – Amortization Schedule**

SECTION 1.24. Tenant Improvement Allowance. Tenant will undertake certain improvement work to prepare the New Premises for Tenant's occupancy ("Tenant's Work") and in connection therewith, Landlord will provide an allowance of seventy thousand Dollars (\$70,000) ("Tenant Improvement Allowance"). The parties hereby acknowledge and agree that the Tenant Improvement Allowance will be amortized over three (3) years, commencing on the first (1st) day of the month of the term, at a rate of five percent (5%) per annum. Tenant will repay the Tenant Improvement Allowance to Landlord in equal monthly installments due on the first (1st) day of each month throughout the term according to an amortization schedule to be attached hereto as **Exhibit B**. If the final cost to construct the Tenant's Work is less than \$70,000, Tenant will promptly repay to Landlord the difference between the actual cost and the Tenant Improvement Allowance, and Landlord will promptly adjust the amortization schedule to reflect the actual cost.

ARTICLE II: GRANT - TERM

SECTION 2.01. Grant.

a) In consideration of the rents, covenants and agreements herein reserved and contained on the part of the Tenant to be observed and performed, Landlord does hereby lease and demise unto Tenant and Tenant rents from Landlord the Premises identified in Article I, Section 1.01.

(b) The Premises is rented subject and subordinate to all encumbrances, easements, reciprocal easements if any, restrictions, contractual obligations, covenants, zoning laws and governmental or any other regulations now or hereafter affecting the Property or demised Premises. Landlord hereby represents and warrants that Tenant's proposed use of the Premises does not violate any such encumbrances, easements, reciprocal easements, restrictions, contractual obligations, covenants, zoning laws or governmental or any other regulations.

SECTION 2.02. Term. The term of this Lease shall be as set forth in Article I, Section 1.08 starting on the Commencement Date, and shall continue in full force and effect until the expiration date set forth, unless sooner terminated pursuant to the terms of this Lease. If Tenant opens for business to the public prior to the Commencement Date such occupancy shall be subject to all the provisions hereof except for the payment of rent and other sums due hereunder.

SECTION 2.03. Delay. Tenant agrees that, in the event of the inability of Landlord for any reason to deliver possession of the Premises to Tenant on the "Possession Date" in the condition required by Section 1.19 hereof, Landlord shall not be liable for any damage thereby, provided, however that Tenant shall have no obligation to pay rent or other sums due hereunder for the New Premises portion of the Premises until the date immediately following delivery. If Landlord is delayed in delivering possession of the New Premises, until such time as the New Premises is delivered by Landlord to Tenant, Tenant shall continue to pay rent and other sums due on the Original Premises pursuant to the Prior Lease. In the event Landlord shall not have delivered possession of the New Premises in the condition required by Section 1.19 hereof within ninety (90) days from the scheduled Possession Date, then Tenant, at its option to be exercised within thirty (30) days after the end of said ninety (90) day period, may terminate the portion of this Lease pertaining to the New Premises by written notice, and this Lease, solely with respect to the New Premises, shall be terminated and the parties shall execute an amendment prepared by Landlord to memorialize such partial termination of the Lease.

SECTION 2.04. Option to Renew. Landlord hereby grants to Tenant the option to extend the term of this Lease as specified in Article I, Section 1.11 and 1.12, such extended term to begin upon the expiration of the initial term of this Lease or the previous extended term, and all the conditions, covenants and provisions of this Lease shall apply to such extended term; provided, however, that if Tenant is in default beyond any applicable notice and cure period at the time Tenant gives notice of extension, any option to extend the term of this Lease beyond the then-current term shall become immediately null and void without notice to Tenant or if the Tenant is in default on the date the extended term is to commence, the extended term shall not commence and this Lease shall automatically expire at the end of the existing term.

ARTICLE III: RENTAL

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SECTION 3.01. Rental. Beginning on the Commencement Date, Tenant agrees to pay to Landlord minimum rent for the leased Premises in the amounts set forth in Article I, Section 1.09 and any increases in rent pursuant to the terms of this Lease. All payments of rent shall be made by Tenant to Landlord without notice, demand or offset, at the address of Landlord specified in Section 1.04 or such other place as the Landlord may from time to time designate. The minimum rent shall be payable in advance in the monthly installments on the first day of each calendar month commencing as above; provided, however, if the payment of rent is to commence other than the first day of a calendar month, monthly payments in the above amount shall commence on the first day of the next succeeding calendar month and rent for the period of less than a full month shall be prorated on the basis of a thirty-day month and shall be payable on the first day of the period. All rent shall be payable in current legal tender of the United States of America, as the same is then, by law, constituted. Any extensions of time for the payment of any installment of rent shall not be a waiver of the rights of Landlord to insist on having all subsequent payments of rent made at the time herein specified. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent stipulated in this Lease shall be deemed other than a payment on account of the earliest rent due, nor shall any endorsement or statement on any check or on any letter accompanying any check or payment as rent be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to its right to recover the balance of the rent or to pursue any other remedy provided for in this Lease.

SECTION 3.02. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to, processing and accounting charges, and late charges, which may be imposed on Landlord by the terms of any mortgage. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within the time period specified in Section 1.18, Tenant shall pay to Landlord the late charge and interest at the rate specified in Section 1.18. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted herein.

SECTION 3.03. Additional Rent. All sums of money or charges required to be paid by Tenant to Landlord under this Lease, whether or not the same are designated "additional rent," shall for all purposes hereunder be deemed and shall be paid by Tenant as rent. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless, if not paid when due, be collectible as rent due hereunder and shall bear interest and late charges from the due date thereof to the date of payment at the rate specified in Section 1.18.

SECTION 3.04. Prepaid Rent. Tenant has paid to Landlord with the execution of this Lease the sum specified in Section 1.13 representing rent, in advance, receipt of which is hereby acknowledged.

SECTION 3.05. Security Deposit. Landlord hereby acknowledges that it is holding the sum set forth in Section 1.13. Said sum shall be held by Landlord as a security deposit for the faithful performance by Tenant of all terms, covenants and conditions of this Lease to be kept and performed by Tenant during the term hereof. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of rent and any of the monetary sums due herewith, Landlord may (but shall not be required to), after notice to Tenant and a reasonable opportunity to cure, use, apply or retain all or any part of this security deposit for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall, within ten (10) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount; Tenant's failure to do so shall be a material breach of this Lease. Landlord shall not be required to keep this security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. Landlord's obligation with respect to any security deposit is that of a debtor and not as a trustee; consequently, such sums may be commingled with rental receipts and no interest shall accrue thereon. So long as Tenant is not in default of this Lease beyond any applicable notice and cure period, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interests hereunder) promptly (but in no event more than 30 days) after the expiration of the Lease term and after Tenant has vacated the Premises. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer said deposit to Landlord's successor in interest (who shall hold the same under identical terms to those set forth in this Section), whereupon Tenant agrees to release Landlord from all liability for the return of such deposit or any accounting therefor.

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SECTION 3.06. Consumer Price Index. Not Applicable

ARTICLE IV: TAXES

SECTION 4.01. Payment of Taxes. Tenant shall pay the Landlord, as additional rent, pro-rata share of all taxes as hereinafter defined applicable to the leased Premises (both those assessed on the Commencement Date and all increases thereto during the term of this Lease, or of this Lease as extended). Tenant's obligations under this Section shall be prorated as of the Commencement Date and as of the date of expiration or termination of this Lease.

SECTION 4.02. Definition of Taxes. As used herein, the term "taxes" shall mean any form of assessment both ordinary or extraordinary, general or special of any kind whatsoever, foreseen or unforeseen, license fee, levy, penalty or tax (other than inheritance or estate taxes), imposed by any authority or governmental agency having the direct or indirect power to tax, including any municipality, county, state or federal government, or any school or other improvement district or authority thereof, any assessments (including without limitation, assessments for public improvements or benefits whether or not commenced or completed during the term of this Lease); and water charges and/or sewer rents and/or other governmental charges and/or taxes which may be assessed, levied, confirmed or imposed on or in respect of, or be a lien upon, the land and/or improvements thereon of the Property or demised Premises; and any other tax or assessment, however designated, levied, assessed or imposed against such land and/or improvements to the extent that the same shall be in lieu of and/or in addition to all or any portion of any item hereinabove set forth, and as against any legal or equitable interest of Landlord in the leased Premises or in the Property of which the Premises is a part, or any tax imposed in substitution, partially or totally, of any tax previously included within the definition of taxes, or any additional tax the nature of which was previously included within the definition of taxes. The term "taxes" shall exclude any taxes included in Operating Expenses (as set forth in Section 6.03 hereof); any local, county, municipal, state or federal income, franchise, corporate, estate, inheritance or succession tax of Landlord; any tax which may be levied as a result of a voluntary or involuntary assignment, transfer or change of ownership of all or any portion of Landlord's interest in the Premises, Strip Center or Entire Center or in the composition of Landlord; any business license tax or tax which may be levied on profits, gross receipts, sales or renewals, or tax or charge upon the rent or other charges payable by Tenant under this Lease; and any penalties, fines or charges arising from Landlord's failure to pay such taxes on or before the discount date.

SECTION 4.03. Joint Assessment - Payment. Tenant's proportionate share of taxes shall be the percentage set forth in Section 1.15 of Article I, of the total taxes billed Landlord for the tax parcel or parcels of the Property. The amount due Landlord under the provisions of this Section shall be at the discount amount. Tenant shall pay its share of taxes to Landlord within thirty (30) days after receipt of an invoice therefor. In the event of nonpayment by Tenant of Tenant's portion of the taxes, Landlord shall have all the rights and remedies with respect thereto as Landlord has for the nonpayment of minimum rent. In addition, if Tenant fails to pay the taxes when due, Tenant shall pay all penalties set forth in the tax invoice and/or the monetary difference between the discounted tax invoice and the non discounted invoice to the Landlord, in addition to any late fees specified in this Lease.

SECTION 4.04. Personal Property Taxes.


- a) Tenant shall pay prior to delinquency any taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the leased Premises or elsewhere. When possible, Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord.
- b) If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

SECTION 4.05. Downtown Improvement District Tax. Intentionally Omitted.

ARTICLE V: CONDUCT OF BUSINESS

SECTION 5.01. Use of Premises.

- a) Except as otherwise specifically provided herein, commencing on the Commencement Date and thereafter for the balance of the term of this Lease, Tenant shall continuously occupy and use the demised premises solely for conducting the business specified in



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Section 1.16 of the Lease as the permitted use, and will not use or permit or suffer the use of the demised Premises for any other business or purpose. The authorization of the use of the Premises for the business purposes set forth in this Lease does not constitute a representation or warranty by Landlord that any particular use of the Premises is now or will continue to be permitted under applicable laws or regulations.

- b) Tenant acknowledges that neither Landlord nor any agent or employee of Landlord has made any representation, promise, estimation or warranty as to the suitability of the Premises for the conduct of Tenant's business. This Lease is subject to Tenant obtaining all applicable governmental approvals and permits required for the operation of Tenant's business.

SECTION 5.03. Additional Use of the Premises. Tenant covenants and agrees that Tenant at its own cost and expense:

- a) N/A
- b) Will keep all of Tenant's mechanical apparatus free of vibration and noise, which may be transmitted beyond the confines of the demised Premises;
- c) Will not cause or permit objectionable odors to emanate or be dispelled from the demised Premises;
- d) Will not solicit business, distribute handbills or other advertising matter or hold demonstrations in the parking areas, Common Areas, or the Property; but Tenant is hereby granted permission to conduct business in front of its Premises.
- e) Will not permit the parking of delivery vehicles so as to interfere with the use of any driveway, walk, parking area, or other areas;
- f) Will comply with all laws and ordinances and all rules and regulations of governmental authorities and all recommendations of the Association of Fire Underwriters, Factory Mutual Insurance Companies, the Insurance Services Organization, or other similar body establishing standards for fire insurance ratings with respect to the use or occupancy of the Premises by Tenant, and will participate in drills at the request of Landlord and will supply, maintain, repair and replace for the demised Premises any fire extinguishers or other fire prevention equipment and safety equipment (including installation of approved hoods and ducts if cooking activity is conducted on the premises) required by the aforementioned rules, regulations and Association or other body in order to obtain insurance at the lowest available premium rate throughout the term of this Lease;
- g) Will not use the plumbing facilities for any other purpose than that for which they are constructed and will not permit any foreign substance of any kind to be thrown therein and the expense of repairing any breakage, stoppage, seepage or damage, whether occurring on or off the Premises, resulting from a violation of this provision by Tenant or Tenant's employees, agents or invitees shall be borne by Tenant. All plumbing traps other than grease traps shall be kept clean and operable by Tenant.
- h) Will, for fire protection, use waste baskets only constructed of metal. Wastebaskets made of plastic, wood, paper, straw, etc. are not permitted;
- i) Will, if the Premises are equipped with a sprinkler system, abide by all rules and regulations of Insurance Services and Insurance Carriers concerning the sprinkler system on the demised Premises. If there is an approved sprinkler system in the area covered under this lease, it is necessary that temperatures on the Premises under lease be maintained at not less than 60 degrees at all times;
- j) Will cause a professional pest extermination service to inspect and take necessary action to correct any undesirable situation with respect to insects, rodents and other pests in the demised Premises;

SECTION 5.04. Installation and Screening of Exterior Equipment.

- a) If Landlord has granted permission for Tenant to use the roof or any other exterior location on the Property for the purpose of erecting a satellite dish or any other type of equipment, and Tenant uses the roof or any other exterior location on the Property for said purpose, Tenant, at its sole cost and expense, shall install any screening device requested by the Landlord at any time to ensure that the equipment and/or satellite dish cannot be viewed or heard by the public, and:
 - 1) Such equipment and screening device shall comply with all governmental and quasi-governmental laws, rules, and regulations, along with any requirements regarding the construction, maintenance, and removal of such device that Landlord may establish from time to time; and
 - 2) Tenant shall obtain Landlord's prior written approval (such approval not to be unreasonably withheld, conditioned or delayed) of all plans and specifications for installation of such equipment and screening device. Landlord may require such plans and specifications to be prepared by a professional.
 - 3) All such equipment and screening device hereafter installed by Tenant on the Property shall remain the property of Tenant and shall be removable by Tenant at the expiration or earlier termination of the term of this Lease.

SECTION 5.05. Fire Prevention Systems.

- a) If the National Board of Fire Underwriters or any local Board of Fire Underwriters or any Federal, State or Local Insurance


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(or other bodies hereafter exercising similar functions) shall require or recommend the installation of fire extinguishers, a "sprinkler system," fire detection and prevention equipment (including, but not limited to, smoke detectors and heat sensors), or any changes, modifications, alterations, or the installation of additional sprinkler heads or other equipment for any existing sprinkler, fire extinguishing system, and/or fire detection system for any reason, whether or not attributable to Tenant's use of the Premises or Alterations performed by Tenant; OR

- b) If any law, regulation, or order or if any bureau, department, or official of the Federal, State, and/or Municipal Governments (or other bodies hereafter exercising similar functions) shall require or recommend the installation of fire extinguishers, a "sprinkler system," fire detection and prevention equipment (including, but not limited to, smoke detectors and heat sensors), or any changes, modifications, alterations, or the installation of additional sprinkler heads or other equipment for any existing sprinkler system, fire extinguishing system, and/or fire detection system for any reason, whether or not attributable to Tenant's use of the Premises or Alterations performed by Tenant; OR
- c) If any such installations, changes, modifications, alterations, sprinkler heads, or other equipment become necessary to prevent the imposition of a penalty, an additional charge, or an increase in the fire insurance rate as from time to time, or by any fire insurance company as a result of the use of the Premises whether or not the same is a Permitted Use under this Lease, then Landlord shall, at Landlord's sole cost and expense, promptly make such installations within the Premises and make such changes, modifications, alterations, or the installation of additional sprinkler heads or other required or recommended equipment.

SECTION 5.06. Thermostat Control. If the Tenant shares a zone of air conditioning and heating with one or more tenants and that the zone is controlled by only one thermostat which has been set by the Landlord and may be re-set by the Landlord in its sole discretion from time to time during the term of the lease, Tenant agrees to reasonably cooperate with other tenants within the zone to maximize the comfort levels of all who share the zone. Tenant will direct any problems with the temperature setting directly to the Landlord or its representative.

Landlord shall determine the setting of all zones as nearly as possible within a range of 68 to 74 degrees and Tenant agrees to abide by that setting. Tenant will not adjust, tamper with, or otherwise handle the thermostat or any other part of the air-conditioning and heating system, and will indemnify Landlord from loss, liability and expense (including attorney's fees and court costs) if Tenant does. Any disagreement with regard to temperature set as nearly as possible within the above range will not entitle the Tenant to withhold rent or to void or terminate the lease or to assert any claim of any kind against Landlord.

SECTION 5.07. Rules and Regulations

- a) Landlord reserves the right from time to time to adopt and promulgate rules and regulations applicable to the demised Premises and the Property and to amend and supplement such rules and regulations, so long as such rules and regulations neither materially increase Tenant's obligations hereunder nor materially decrease Tenant's rights hereunder. Notice of such rules and regulations and of any amendment and supplements thereto shall be given to Tenant and Tenant agrees thereupon to comply with and observe all such rules and regulations, provided that, to the extent practicable, the same shall be applied uniformly to substantially all tenants.
- b) Landlord's rights and remedies in the event Tenant shall fail to comply with and observe such rules and regulations shall be the same as though such rules and regulations were set forth in this Article.

ARTICLE VI: COMMON AREAS

SECTION 6.01. Common Areas Defined. All areas, space, facilities and equipment within and around the demised Premises, to the extent made available by Landlord for the common and joint use and benefit of Landlord, Tenant and other tenants and occupants of the Property, and their respective employees, agents, subtenants, concessionaires, licensees, customers and other invitees, are collectively referred to herein as "the common areas". If and to the extent made available by Landlord, the common areas shall include, but not be limited to the parking areas, all approaches, entrances, exits, sidewalks, roadways, walkways, truckways, stairways (except as hereinafter provided), loading docks, delivery areas, roof, exterior walls, landscaped areas, maintenance areas and hallways. Tenant, and Tenant's respective employees, agents, subtenants, concessionaires, licensees, customers and other invitees, are hereby given the license in common with all others to whom Landlord has or may hereafter grant rights to use the common areas as they may from time to time exist subject to the rules, regulations and covenants herein.



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SECTION 6.02. Common Area - Multiple Tenancy. The common areas shall be subject to the exclusive control of Landlord. Landlord shall operate, manage, equip, police, light, landscape, surface, pave and maintain the common areas all in such manner as Landlord, in Landlord's sole discretion, may, from time to time determine. Landlord hereby expressly reserves the right from time to time to construct, maintain and operate lighting and other facilities, equipment and signs within the common areas; to maintain security for the common areas; to use and allow others to use the common areas for any purpose; to change the size, area, level, location and arrangement of the common areas and parking; to landscape the common areas; to regulate parking by tenants and other occupants and their respective employees, agents, subtenants, concessionaires, and licensees; to close temporarily all or any portion of the common areas for the purpose of making repairs, changes or alterations thereto or performing necessary maintenance in connection with any emergency, in connection with closings resulting from adverse weather conditions or for any other purpose; to establish, modify and enforce reasonable rules and regulations with respect to the common areas and the use to be made thereof. Tenant agrees that it will abide by, keep and observe all reasonable rules and regulations which Landlord may make from time to time for the management, safety, care, and cleanliness of the Property and its common areas and surrounding grounds, the parking of vehicles and the preservation of good order therein as well as for the convenience of other occupants and tenants of the Property.

SECTION 6.03. Common Area Operating Costs. Tenant agrees to pay, as additional rent, its pro-rata share of Landlord's costs of operating, maintaining and repairing the common areas (hereinafter referred to as the "Operating Costs"). "Operating Costs" shall mean all costs and expenses of any kind or nature which are necessary, and are customarily incurred in operating and maintaining the common areas as determined by Landlord and which are, as determined by Landlord, reasonable and appropriate for the best interest of the Property, including but not limited to all costs and expenses of operating, maintaining, repairing, lighting, cleaning, painting, paving, striping, and policing all common areas and all improvements thereto costs of utilities and refuse for the common areas; costs of all roof repairs costs of all supplies; insurance premiums for liability insurance for personal injury, death, and property damage; costs of workmen's compensation insurance covering personnel and fidelity bonds for personnel; costs for removal of snow, ice, and debris; monitoring of fire and security systems for common areas; cost for regulation of traffic; costs and expenses of planting, replanting, and replacing flowers and shrubbery and planters; costs of water and sewer service if applicable; all costs of labor, including wages and other payments including disability insurance, payroll taxes, welfare, and all legal fees and other costs or expenses incurred in resolving any labor disputes; cost and expense for the rental of music program services and loudspeaker systems, including furnishing electricity therefor; sprinkler maintenance costs and Landlord's administrative expenses equal to fifteen (15%) percent of the costs expended for the common areas for the current period. Operating Costs shall not include: real estate taxes, except real property taxes applicable to the common areas; costs of work performed exclusively for any other tenant in the Property other than work of a kind and scope which Landlord would be obligated to provide to all tenants; leasing commissions and other expenses attributable solely to leasing of space in the Property and costs of repairs or rebuilding necessitated by condemnation.

SECTION 6.04. Tenant's Share of Common Area Costs. As defined in Section 1.15.

SECTION 6.05. Tenant's Right to Audit. Tenant shall have the right, at Tenant's sole cost and expense, to audit or review Landlord's books and records used in calculating Operating Costs and/or taxes and Tenant's share thereof. Tenant shall notify Landlord in writing that it is exercising its right to audit within 90 days following delivery of the Operating Costs and/or taxes statement. The audit shall take place at Landlord's office located at 444 E. College Avenue, Suite 560, State College, PA 16801, at a time mutually convenient to Landlord and Tenant (but not later than 60 days after receipt of Tenant's notice to audit). Except as Landlord may consent in writing, the audit shall be completed within 10 days after commencement. No copying of Landlord's books or records will be allowed. The audit shall be accomplished by either Tenant's own employees with accounting experience reasonably sufficient to conduct such review or a nationally or regionally recognized accounting firm mutually acceptable to Landlord and Tenant that is engaged on either a fixed price or hourly basis, and is not compensated on a contingency or bonus basis. Under no circumstances shall Landlord be required to consent to an accounting firm that is also a tenant of Landlord in the Property. The records reviewed by Tenant shall be treated as confidential. A copy of the results of the audit shall be delivered to Landlord within 30 days after the completion of the audit. If Landlord and Tenant determine that the Operating Costs and/or taxes are less than reported, Landlord shall give Tenant a credit in the amount of the overpayment toward Tenant's next monthly payment, or, in the event this Lease has expired or terminated and no Event of Default exists, Landlord shall pay Tenant the total amount of such overpayment within 30 days. If Landlord and Tenant determine that the Operating Costs and/or taxes are more than reported, Tenant shall pay Landlord the amount of any underpayment within 30 days. Furthermore, in the event that the audit establishes that the actual the Operating Costs and/or taxes are less than reported by more than three percent (3%), as substantiated, then a credit in the amount of all reasonable out of pocket third party expenses incurred by Tenant in conducting such review shall be applied towards Tenant's next monthly payment, or, in the event the Lease has expired

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or terminated and no Event of Default exists, Landlord shall pay such expenses to Tenant within 30 days after receipt of Tenant's invoice.

ARTICLE VII: LANDLORD'S LEASEHOLD IMPROVEMENTS AND TENANT'S INITIAL CONSTRUCTION

SECTION 7.01. Landlord Leasehold Improvements. None

SECTION 7.02. Tenant's Work - Initial Construction. As mutually agreed upon by Landlord and Tenant

*If tenant makes additional structural changes:

- a) Within fifteen (15) days after the execution of this Lease, Tenant will notify Landlord in writing of the name and address of Tenant's architect. Within thirty (30) days after the execution of this Lease, Tenant will provide Landlord with one full and complete set of Tenant's blue line drawings including but not limited to architectural, mechanical, electrical, plumbing and heating, ventilating and air conditioning drawings, for Landlord's prior written approval.
- b) Tenant shall accept possession of the Premises in accordance with the terms of Section 1.19 hereof.
- c) All work to be performed by Tenant in connection with the preparation of the Premises for occupancy and opening for business shall be subject to the prior written approval by Landlord prior to commencement of such work and shall be performed by Tenant at its sole cost and expense.
- d) Tenant shall complete or cause the completion of all Tenant's work and all such work shall be:
 - 1) Done as expeditiously as reasonably practical in a good and workmanlike manner and with first-class new materials;
 - 2) Done in compliance with such reasonable rules and regulations as Landlord or its agents or contractors may make;
 - 3) Done in such manner as will not interfere unreasonably with work being done by Landlord upon the Premises or any other portions of the Property;
 - 4) Done at the risk of Tenant;
 - 5) Done in accordance with the applicable requirements of all regulatory authorities having jurisdiction with respect thereto;
 - 6) Done only by contractors approved by Landlord; and
 - 7) Done with materials that are not susceptible to mold or mold conditions; and
 - 8) Performed only by such contractors and subcontractors as will work in harmony and without causing any labor dispute with each other, with Landlord's contractors and subcontractors and with the contractors and subcontractors of all others working in or upon the Property, or any part thereof, and Tenant shall require its contractors and subcontractors to employ only such labor as will work in harmony and without causing any labor dispute with all other labor then working in the Property or any part thereof, including but not limited to the Premises; and shall permit only those contractors and subcontractors as have been duly licensed by the authority having jurisdiction over the appropriate profession and which have been approved as to qualifications and competency in writing by Landlord which approval will not be unreasonably withheld.
- e) Tenant shall, at its expense, obtain and maintain for so long as Tenant's work continues, public liability insurance and workmen's compensation insurance adequate to fully protect Landlord as well as Tenant from and against any and all liability for death of or injury to person or damage to property caused in or about the Premises, or by reason of the conduct of Tenant's work. Except to the extent caused by Landlord or its employees, contractors or agents, Tenant shall protect, defend, indemnify and hold harmless Landlord against any such loss, liability or damage resulting from such work.
- f) Tenant shall deliver to Landlord certificates evidencing such insurance coverage prior to the commencement of Tenant's work.
- g) Tenant shall obtain waivers of liens in recordable form from its contractor as to all subcontractors and deliver the same to Landlord prior to possession of the Premises and the commencement of any work in the Premises. Tenant shall not be entitled to possession of the Premises until said lien waivers have been delivered to Landlord however, Landlord's refusal to deliver Premises for the reasons stated herein shall not relieve Tenant of any of its obligations hereunder; and
- h) Tenant shall pay for all costs and expenses of construction and installation of Tenant's work so that there will be no items, claims or charges outstanding with respect thereto and sufficient evidence thereof shall be provided to Landlord.
- i) Tenant, or its representative, shall pay for and obtain all permits, approvals, tap fees and licenses for construction and occupancy of the Premises including PA Department of Labor and Industry and local Code approval.
- j) Tenant shall at Landlord's request furnish to Landlord:
 - 1) Properly issued certificates evidencing acceptance or approval of the demised Premises by appropriate governmental authorities, including the underwriter's approval of Tenant's sprinkler installation and electrical system if any.

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- 2) A set of "as-built" plans and specifications for Tenant's Work, together with names and addresses of Tenant's electrical, plumbing, and other contractors, prepared and sealed by Tenant's architect.
- 3) Any other statements, certificates or agreements requested pursuant to the Lease.

SECTION 7.03. Tenant Allowance. None

SECTION 7.04. Signs - Awnings - Canopies.

Tenant shall not paint or decorate any part of the exterior of the demised Premises, or any part of the Premises or the Property which shall be visible from the exterior thereof, without first obtaining Landlord's written approval of such painting or decoration, which approval shall not be unreasonably withheld, conditioned or delayed. All signs, awnings and canopies pursuant to this Section must comply with local rules, regulations and zoning. Landlord hereby acknowledges and agrees that Tenant's existing signage, if any, erected pursuant to the Prior Lease is approved.

SECTION 7.05. Liens. Tenant shall keep the Premises and the Property free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant and shall indemnify, hold harmless and defend Landlord from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of Tenant. In the event that Tenant shall not, within twenty (20) days following Tenant's receipt of written notice from Landlord of the imposition of any such lien, cause such lien to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by Landlord and all expenses incurred by it in connection therewith including attorney's fees and costs shall be payable to Landlord by Tenant on demand with interest at the rate of twelve (12%) percent per annum. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord and the Premises, and any other party having an interest therein, from mechanics' and materialmen's liens, and Tenant shall give to Landlord at least ten (10) business days prior to written notice of the expected date of commencement of any work relating to alterations or additions to the Premises.

ARTICLE VIII: MAINTENANCE AND REPAIR

SECTION 8.01. Repairs and Maintenance by Tenant

- a) Tenant shall at all times at its own expense keep and maintain the demised Premises (including, but not limited to, the inside and outside of all glass in the doors and windows and show window moldings and all partitions, doors, fixtures, signs, equipment and appurtenances thereof in good order and repair, and in a neat, safe, clean and orderly condition, including, but not limited to, reasonable periodic painting as determined by Landlord and making all non-structural ordinary and extraordinary, foreseen and unforeseen repairs to the demised Premises, including, without limitation, repairs to the plumbing and sewage facilities within the demised Premises or under the floor slab including free flow up to the main sewer line, water meters and any equipment required for the meters by the local Authority electrical, heating, ventilating, and air-conditioning systems and mechanical systems and installations therein. Tenant's responsibilities shall be limited to its Premises and exclusive use for such required repairs. Tenant will not be liable for any plumbing, sewage, electrical, HVAC, mechanical or roof repairs not attributed to Tenant's use of the Premises. Tenant shall not overload the electrical wiring serving the premises or within the premises, and will install at its own expense but only after obtaining Landlord's written approval, any additional electrical wiring which may be required in connection with the demised Premises. Landlord will inspect, clean, change filters, and perform all required maintenance for the Tenant's heating and air conditioning system, if any, serving the demised Premises periodically, but not more than four times a year without the Tenant's request therefore. Tenant will be invoiced by Keystone Real Estate Group for regular HVAC maintenance, while Landlord will assume financial responsibility of HVAC repairs. Notwithstanding the foregoing, if the need for any repair arises due to the acts or omissions of Landlord or its employees, agents or contractors, Landlord shall be solely responsible to make such repair and pay the costs therefor.
- b) Tenant will repair promptly at its own expense any damage (whether structural or non-structural) to the demised Premises caused by any construction or alterations performed by Tenant or bringing into the Premises any property for Tenant's use, or by the installation or removal of such property, regardless of fault or by whom such damage shall be caused, unless caused solely by the negligence of Landlord or its servants or employees.
- c) Landlord hereby represents and warrants that, as of the Commencement Date, the New Premises is free from mold or any condition that reasonably can be expected to give rise to mold. Tenant at its sole cost and expense shall regularly monitor the

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Premises for the presence of any mold or any condition that reasonably can be expected to give rise to mold including but not limited to observed or suspected instances of water damage, mold growth, repeated complaints of respiratory ailments or eye irritation by Tenant's employees, customers, invitees or any other occupants in the Premises. In the event of suspected mold or mold conditions at the Premises, Tenant shall promptly notify the Landlord in writing and Landlord, at its sole cost and expense, shall promptly cause an inspection of the Premises to be conducted by a Certified Industrial Hygienist or otherwise qualified mold consultant within twenty (20) days of the discovery of the mold condition. A complete inspection report of the mold consultant shall be forwarded to the Tenant within ten (10) days of the inspection. If the inspection required under this paragraph determines that mold or mold conditions are present at the Premises then Landlord, at its sole cost and expense, shall promptly hire trained and experienced mold remediation contractors to do what is required to ensure that the mold is remediated in accordance with the relevant provisions of the document "Mold Remediation in Schools and Commercial Buildings" (EPA 402-K-01-001) published by the U.S. Environmental Protection Agency as may be amended. Tenant also acknowledges that Tenant is obligated in any alterations that Tenant performs not to use any materials that are reasonably expected to be susceptible to mold.

- d) In the event Tenant defaults in the performance to Landlord's reasonable satisfaction of any of its obligations under this Section and such default continues for a period of ten (10) days after receipt of written notice from Landlord (except that in an emergency no notice shall be required), Landlord, in addition to Landlord's other remedies under this Lease, at law or in equity may (but shall not be obligated to do so) cure such default on behalf of Tenant without any liability of Landlord, its agents, servants, employees, contractors or subcontractors for damage to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and Tenant shall reimburse Landlord, as additional rent, upon demand, for any sums paid or costs incurred in curing such default, plus administrative costs of Landlord in a sum equal to fifteen percent (15%) of such sums and/or costs.

SECTION 8.02. Structural Repairs.

- a) Except as otherwise provided herein, structural portions of the Premises, and those portions of the exterior of the demised Premises which Tenant is not obligated to maintain (except for reimbursement to Landlord as part of the common area costs) will be repaired by Landlord provided Tenant gives Landlord notice specifying the need for and nature of such repairs; provided, however, if Landlord is required to make any repairs to such portions of the demised Premises by reason, in whole or in part, of the negligent act or failure to act by Tenant or Tenant's agent, servants, employees, contractors or subcontractors, or by reason of any unusual use of the demised Premises by Tenant (whether or not such use is a permitted use hereunder), Landlord may collect the cost of such repairs, as additional rent, upon demand. For the purpose of this Lease, any difference in floor level, shifting of floor slab, or deviation in finished floor height resulting from the insertion or construction of an expansion joint or strip in the floor slab shall not be deemed a structural defect requiring repair by Landlord, but rather, a normal construction practice which shall be Tenant's responsibility to appropriately plan for in its construction and use of the demised Premises.
- b) If, without Landlord's prior consent, Tenant performs any alterations, additions, improvements, changes, affixations of chattels or other work which affects the structural portions of the demised Premises and/or the roof of the building of which the Premises is part and/or that portion of the exterior of the demised Premises which Landlord is obligated to repair or which affects the structural integrity of the building of which the leased Premises shall form a part, such action by Tenant shall release and discharge Landlord as of the commencement of such alteration, addition, improvement, affixation or other work of and from such repair obligation and thereafter, Tenant agrees to be solely responsible for the maintenance, repair and replacement of any or all such structural portions, roof exterior and building which have been affected as aforesaid; provided in the event Tenant shall default in the performance, to Landlord's satisfaction, of such responsibilities, Landlord, in addition to Landlord's other remedies under this Lease, at law or in equity, may (but shall not be obligated to do so) cure such default on behalf of Tenant without any liability of Landlord, its agents, servants, employees, contractors or subcontractors for damage to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and Tenant shall reimburse Landlord, as additional rent, upon demand for any sums paid or costs incurred in curing such default, plus administrative costs of Landlord in a sum equal to ten percent (10%) of such sums and/or costs. For the purposes of the foregoing, if Tenant performs any such alterations, additions, improvements, changes, affixations or other work in a manner not consistent with Landlord's prior consent thereto, such work shall be deemed to have been performed without Landlord's consent.

ARTICLE IX: INDEMNITY – NONLIABILITY

SECTION 9.01. Indemnity by Tenant. Tenant shall indemnify and hold Landlord harmless from and against any and all claims of liability for any injury or damage to any person or property arising from Tenant's use of the Premises, the Property or the Common Areas.

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Areas, or from the conduct of Tenant's business, or any mold or mold conditions, or from any activity, work or thing done, permitted or suffered by Tenant in or about the Premises or elsewhere. Tenant shall further indemnify and hold Landlord harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under this Lease, or arising from any negligence of Tenant or Tenant's agents, contractors or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. In the event any action or proceeding is brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall defend same at Tenant's expense by counsel satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons, in, upon or about the Premises arising from any cause and Tenant hereby waives all claims in respect thereof against Landlord.

SECTION 9.02. Landlord Nonliability for Injury, Loss, or Damage. Subject to terms of this Lease Tenant acknowledges and agrees that Landlord shall not be liable or responsible in any way to Tenant or any other person for:

- a) Any injury arising from or out of any occurrence in, upon, at, or relating to the Premises or the Property or any part thereof or any loss or damage to property (including loss of use thereof) of Tenant or any other Person located in the Premises or Property or any party thereof from any cause whatsoever, unless such injury, loss, or damage results from any fault, default, negligence, act, or omission of Landlord or its agents, servants, employees, or any other Person for whom Landlord is in law responsible.
- b) (Without limiting the generality of the foregoing provisions of this Section) Except to the extent caused by the acts or omissions of Landlord, any injury to Tenant or any other Person or loss or damage to property resulting from but not limited to: fire; smoke; explosion; falling plaster, ceiling tiles, fixtures, or signs; broken glass; steam; gas; fumes; vapors; odors; dust; dirt; grease; acid; oil; any hazardous material or substance including asbestos; debris; noise; air or noise pollution; theft; breakage; vermin; electricity; computer or electronic equipment or systems malfunction or stoppage; water; rain; flood; flooding; freezing; tornado; windstorm; snow; sleet; hail; frost; ice; excessive heat or cold; mold or any mold related claims; sewage; sewer backup; toilet overflow; or leaks or discharges from any part of the Premises or Property or from any pipes, sprinklers, appliances, equipment (including, without limitation, heating, ventilating, and air-conditioning equipment); electrical or other wiring; plumbing fixtures; roof(s), windows, skylights, doors, trap doors, or subsurface of any floor or ceiling of any part of the Premises or Property, or from the street or any other place, or by dampness or climatic conditions, or from any other cause whatsoever;
- c) Any Injury, loss, or damage caused by other tenants or any Person in the Premises or Property, or by occupants of adjacent property thereto, or by the public, or by construction or renovation, or by any private, public, or quasi-public work, or by interruption, cessation or failure of any public or other utility service, or caused by Force Majeure;
- d) Intentionally deleted; or
- e) Any Injury, loss, or damage to property caused by perils insured against or required to be insured against by Tenant pursuant to this Lease.

Landlord shall protect, defend, indemnify, and hold Tenant harmless from and against any and all costs, expenses (including reasonable attorneys' fees), liabilities, losses, damages, suits, actions, fines, penalties, claims or demands of any kind arising out of or in any way connected with, and Tenant shall not be liable to Landlord on account of (i) any failure by Landlord to perform any of the agreements, terms, covenants or conditions of this Lease required to be performed by Landlord or (ii) any act or omission of Landlord or any of their servants, employees, agents, contractors, invitees or licensees, except to the extent caused or contributed to by the negligent or willful act or omission of Tenant or its agents or the breach of this Lease by Tenant.

SECTION 9.03. Limitation of Liability. Notwithstanding anything to the contrary herein provided, it is specifically understood and agreed that there shall be absolutely no personal liability on the part of Landlord or on the part of Tenant or their respective successors in interest whether any such successor in interest shall be a corporation, or an individual, joint venture, tenancy in common, firm or partnership, general or limited, or on the part of the members of such firm, partnership or joint venture with respect to any of the terms, covenants and conditions of this Lease. Tenant shall look solely to the equity of Landlord or such successor in interest in the Premises or Property for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord or by such successor in interest of any of the terms, covenants and conditions of this Lease to be performed by Landlord; such exculpation of personal liability to be absolute and without any exception whatsoever. Landlord agrees that if Tenant obtains a monetary judgment in court against the Landlord, which judgment Landlord does not successfully appeal, then Tenant shall have the right to offset the amount of such judgment together with Tenant's actual reasonable costs and expenses (including reasonable attorney's fees) against the Minimum Rent, if any, next payable by Tenant hereunder until the amount of such judgment has been completely offset.


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ARTICLE X: INSURANCE

SECTION 10.01. Tenant Insurance.

- a) Tenant will keep in force in companies licensed to do business in Pennsylvania at Tenant's expense at all times during the term of this Lease and during such other times as Tenant occupies the demised premises or any part thereof:
 - 1) Public liability insurance with respect to the demised Premises, the sidewalks abutting and adjoining the demised Premises, if any, and the business operated by Tenant and any subtenants, licensees and concessionaires of Tenant in or from the demised Premises with minimum limits as shown in Section 1.17. If the nature of Tenant's operation is such as to place any or all of its employees under the coverage of local workmen's compensation or similar statutes, Tenant shall also keep in force, at its own expense, workmen's compensation or similar insurance affording statutory coverage and containing statutory limits. Landlord shall have the right to increase the minimum liability limits during the term of this Lease as economics and circumstances change, at the Landlord's sole discretion.
 - 2) Fire insurance, with standard broad form extended coverage endorsement covering (a) all of Tenant's stock in trade, trade fixtures, furniture, furnishings, such equipment as is not affixed to the demised premises and signs, and (b) Tenant's interest in all of the improvements and betterments installed in the premises by Tenant, in each case to the extent of at least eighty percent (80%) of their collective insurable value, without co-insurance.
 - 3) Such other types of insurance and such additional amounts of insurance as, in Landlord's judgment are necessitated by good business practice.
- b) Upon request, Tenant will deposit with Landlord certificates evidencing policies of insurance required by the provisions of this Section, together with satisfactory evidence of the payment of the required premium or premiums thereof. Failure of the Tenant to forward the insurance certificate to the Landlord within thirty (30) days after Tenant's receipt of written request from Landlord will result in a \$55.00 administrative charge payable by Tenant to compensate the Landlord for each request for the Insurance Certificate from the Tenant but shall not be a default of this Lease.
- c) All insurance required herein shall be with companies rated "A"1 Class XI or better in "Bests Insurance Guide".

SECTION 10.02. Insurance Provisions. All policies of insurance are required to be carried by Tenant pursuant to this Article shall provide that the policy shall not be subject to cancellation, termination or change except after ten (10) days prior written notice to Landlord and shall name Landlord as an additional insured as its interest may appear.

SECTION 10.03. Effect on Insurance.

- a) Tenant will not do, omit to do, or suffer to be done or keep or suffer to be kept anything in, upon or about the leased Premises which will violate the provisions of Landlord's policies insuring against loss or damage by fire or other hazards (including, but not limited to, public liability), which will adversely affect Landlord's fire or liability insurance premium rating or which will prevent Landlord from procuring such policies in companies acceptable to Landlord, provided Tenant is first given adequate notice of the requirements of such policies. If anything done, omitted to be done or suffered to be done by Tenant, or kept or suffered by Tenant to be kept in, upon or about the Premises shall by itself or in combination with other circumstances existing at the Property cause the premium of fire or other insurance on the Premises or other improvements of the Property in companies acceptable to Landlord to be increased beyond the established rate from time to time fixed by the appropriate underwriters with regard to the use of the demised Premises for the purposes permitted under this Lease or to such other property in the Property for the use or uses made thereof, Tenant will pay the amount of such increase or, in the event that other circumstances existing at the Property shall have contributed to such increase, such equitable portion of such increase as reasonably determined by Landlord, as additional rent upon Landlord's demand and will thereafter pay the amount of such increase, as the same may vary from time to time, with respect to every premium relating to coverage of the demised Premises during a period falling within the term of this Lease until such increase is eliminated. In addition, if applicable, Landlord may, at its option rectify the condition existing on the demised Premises, which caused or was a contributing cause of the increased premium rate in the event that the Tenant should fail to do so and may charge the cost of such action to Tenant as additional rent, payable on demand. In determining whether increased premiums are the result of Tenant's use of the leased Premises, a schedule, issued by the organization making the insurance rate on the leased Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up the fire insurance rate on the leased Premises.
- b) If for any reason whatsoever including, but not limited to, the abandonment of the demised Premises, Tenant's failure to pay the insurance premium or Tenant's failure to occupy the demised Premises as herein permitted, Tenant fails to provide and keep in force any or all of the insurance policies set forth in this Article hereof, then in such event Tenant shall indemnify and hold Landlord

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harmless against any loss which would have been covered by such insurance.

- c) If Tenant shall not comply with its covenants made in this Article, Landlord in addition to Landlord's other remedies hereunder may (but shall not be obligated to) cause insurance, as aforesaid, to be issued, and in such event, Tenant agrees to pay the premium for such insurance as additional rent promptly upon Landlord's demand, or Landlord, at its option, may treat such failure to comply as an Event of Default.

SECTION 10.04. Property Insurance by Landlord.

- a) Landlord shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Premises, the Property and the Common Areas, but not Tenant's fixtures, equipment, Tenant improvements or plate glass insurance, in such amounts as Landlord or Landlord's Lender shall determine, providing protection against all perils included within the classification of fire, extended coverage, vandalism, rental loss, malicious mischief, terrorism and bioterrorism, special extended policies (all risk) and liability insurance including liability umbrellas.
- b) Policies. Tenant shall pay to Landlord, during the term hereof, as additional rent, its proportionate share of the premiums for insurance required under this Section. Such proportionate share shall be as specified in Section 1.15 (Tenant's Share of Expenses) and shall be paid within ten (10) days after Tenant's receipt of the statement therefore.

SECTION 10.05. Waiver of Subrogation. Notwithstanding anything in the Lease to the contrary, Landlord and Tenant each hereby waive any and all rights of recovery against the other or against the officers, employees, agents and representatives of the other, on account of loss or damage occasioned to such waiving party of its property or the property of others under its control caused by fire or any of the extended coverage risks described above to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. The insuring party shall, upon obtaining the policies of insurance required under this Lease, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

ARTICLE XI: UTILITIES - REFUSE

SECTION 11.01. Utilities, Refuse and Miscellaneous.

- a) Tenant shall be solely responsible for and promptly pay all charges for all utilities to the Premises, without limitation, said responsibility commencing on the Possession date. If Tenant does not pay the charges for utilities and Landlord is required to pay for any charges on behalf of the Tenant, such failure to pay by the Tenant shall be construed as a default under the terms of this lease as specified in Section 20.01. If the Landlord is notified by a utility company of Tenant's failure to pay, Landlord reserves the right to pay such utility on behalf of the Tenant, and bill the Tenant and add a fifteen percent (15%) administration charge.
- b) In no event shall Landlord be liable to Tenant for damages or otherwise for any interruption, curtailment or suspension of any of the foregoing utility or refuse services under this Lease or due to repairs, action of public authorities, strikes, acts of God or public enemy, or any other cause.

SECTION 11.02. Application for Utilities. Tenant shall make appropriate applications to the local utility and refuse companies at such times as shall be necessary to insure utilities, refuse and services being available at the Premises no later than the Possession date and pay all required deposits, connection fees and/or tap fees and/or charges for meters or EDU's including back flow preventors and back flow inspections within the applicable time period set by the local utility or refuse companies.

ARTICLE XII: ESTOPPEL CERTIFICATE; SUBORDINATION and ATTORNMENT

SECTION 12.01. Execution of Estoppel Certificate. At any time, and from time to time, upon the written request of Landlord or any mortgagee, Tenant, within twenty (20) days of the date of such written request, agrees to execute and deliver to Landlord and/or such mortgagee, without charge and in a form satisfactory to Landlord and/or such mortgagee, a written statement: (a) ratifying this Lease; (b) confirming the commencement and expiration dates of the term of this Lease; (c) certifying that Tenant is in occupancy of the demised premises, and that the Lease is in full force and effect and has not been modified, assigned, supplemented or amended except by such writings as shall be stated; (d) certifying that all conditions and agreements under this Lease to be satisfied or performed by Landlord have been satisfied and performed except as shall be stated; (e) certifying that Landlord is not in default under the Lease and there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating the defaults and/or defenses claimed by Tenant; (f) reciting the amount of advance rent, if any, paid by Tenant and the date to which such rent has been paid; (g) reciting the amount of security deposited with Landlord, if any; and (h) any other information which Landlord or the mortgage shall reasonably

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require.

SECTION 12.02. Failure to Execute Estoppel Certificate. The failure of Tenant to execute, acknowledge and deliver to Landlord and/or any mortgagee, a statement in accordance with the provisions of Section 12.01 above within the period set forth in Section 12.01 shall constitute an acknowledgment by Tenant which may be relied upon by any person holding or intending to acquire any interest whatsoever in the demised Premises or the Property that this Lease has not been assigned, amended, changed or modified, is in full force and effect and that the Minimum Rent, Tenant's share of common area operating costs, utility charges, and additional rent have been duly and fully paid not beyond the respective due dates immediately preceding the date of the request for such statement and shall constitute as to any persons entitled to rely on such statements a waiver of any defaults by Landlord or defenses or offsets against the enforcement of this Lease by Landlord which may exist prior to the date of the written request.

SECTION 12.03. Subordination and Attornment. Tenant agrees: (a) that, except as hereinafter provided, this Lease is, and all of Tenant's rights hereunder are and shall always be subject and subordinate to any mortgage, leases of Landlord's property (in sale-leaseback) pursuant to which Landlord has or shall retain the right of possession of the demised premises or security instruments (collectively called "Mortgage") that now exist, or may hereafter be placed upon the demised Premises of the Property or any part thereof and to all advances made or to be made thereunder and to the interest thereon, and all renewals, replacements, modifications, consolidations, or extensions thereof; and (b) that if the holder of any such Mortgage ("Mortgagee") or if the purchaser at any foreclosure sale or at any sale under a power of sale contained in any Mortgage shall at its sole option so request. Tenant will attorn to and recognize such Mortgagee or purchaser, as the case may be, as Landlord under this Lease for the balance then remaining of the term of this Lease, subject to all terms of this Lease; and (c) that the aforesaid provisions shall be self operative and no further instrument or document shall be necessary unless required by any such Mortgagee or purchaser. Notwithstanding anything to the contrary set forth above, any Mortgagee may at any time subordinate its Mortgage to this Lease, without Tenant's consent, by execution of a written document subordinating such Mortgage to this Lease to the extent set forth therein, and thereupon this Lease shall be deemed prior to such Mortgage to the extent set forth in such written document without regard to their respective dates of execution, delivery and/or recording and in that event, to the extent set forth in such written document such Mortgagee shall have the same rights with respect to this Lease as though this Lease had been executed and a memorandum thereof recorded prior to the execution, delivery and recording of the Mortgage and as though this Lease had been assigned to such Mortgagee. Should Landlord or any Mortgagee or purchaser desire confirmation of either such subordination or such attornment, as the case may be, Tenant upon written request, and from time to time, will execute and deliver without charge and in form satisfactory to Landlord, the Mortgagee or the purchaser all instruments and/or documents that may be requested to acknowledge such subordination and/or agreement to attorn, in recordable form.

SECTION 12.04. Landlord's Additional Option - Failure to Execute Instruments and Documents. Intentionally deleted.


ARTICLE XIII: SUBLETTING AND ASSIGNMENT

SECTION 13.01. Prohibition of Subletting and Assignment.

A. Tenant shall not sublet or assign the Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld. In determining whether to grant consent to the Tenant's sublet or assignment request, the Landlord may consider any reasonable factor. Landlord and Tenant agree that any one of the following factors, or any other reasonable factor, will be reasonable grounds for deciding the Tenant's request:

- (i) Financial strength of the proposed subtenant/assignee must be at least equal to that of the existing Tenant;
- (ii) Business reputation of the proposed subtenant/assignee must be in accordance with generally acceptable commercial standards;
- (iii) Use of the premises by the proposed subtenant/assignee must be identical to the use permitted by this Lease;
- (iv) Percentage rents if any of the proposed subtenant/assignee, or the prospect of percentage rents, must be at least equal to that of the existing Tenant;
- (v) Managerial and operational skills of the proposed subtenant/assignee must be the same as those of the existing Tenant;
- (vi) Use of the Premises by the proposed subtenant/assignee will not violate or create any potential violation of any laws;
- (vii) Use of the Premises will not violate any other agreements affecting the Premises, the Landlord or other Tenants or adversely affect the tenant mix of the Property or surrounding properties of the Landlord.

B. Notwithstanding the foregoing, Tenant shall have the right to assign this Lease or sublet the Premises to: (i) an entity controlled


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by, controlling or under common control with Tenant, (ii) an entity into which Tenant is merged or consolidated, (iii) an entity acquiring all or substantially all of the assets of Tenant, or (iv) a mortgagee of Tenant.

SECTION 13.02. Modification Following Assignment. The joint and several liability of Tenant named herein and any immediate and remote successor in interest of Tenant (by assignment or otherwise), and the due performance of the obligations of this Lease on Tenant's part to be performed or observed, shall not in any way be discharged, released or impaired by any (a) agreement which modifies any of the rights or obligations of the parties under this Lease, (b) stipulation which extends the time within which an obligation under this Lease is to be performed, (c) waiver of the performance of an obligation required under this Lease, or (d) failure to enforce any of the obligations set forth in this Lease; provided, however, that (i) in the case of any modification of this Lease made after the date of an assignment or other transfer of this Lease by Tenant, if such modification increases or enlarges the obligations of Tenant or reduces the rights of Tenant, then Tenant named herein and each respective assignor or transferor shall not be liable under or bound by such increase, enlargement or reduction and (ii) in the case of any waiver by Landlord of a specific obligation of an assignee or transferee of Tenant, such waiver shall also be deemed a waiver of such obligation with respect to the immediate and remote assignors or transferrers of such assignee or transferee.

SECTION 13.03. Landlord's Consent. Conditions. Notwithstanding (and without limiting) any other provision of this Article, the following conditions must be met in order for the Landlord to consider any request for sublet or assignment:

- a) Information on Assignee or Subtenant - At least thirty (30) days before the proposed effective date of the assignment or subletting Landlord receives for approval a copy of a fully executed unconditional assignment or sublease together with (1) reasonable detailed information as to the character, reputation and business experience of the proposed assignee or subtenant, and (2) financial information on the proposed assignee or subtenant (including, at Tenant's expense, a current financial statement certified as being true and correct by the chief financial executive or Certified Public Accountant of the proposed assignee or subtenant);
- b) Tenant Not in Breach or Default - No breach or default beyond any applicable notice and cure period on Tenant's part can exist at the time of the consent request and at the effective assignment or subletting date;
- c) Terms of Lease Govern - Any assignment or subletting will be upon and subject to all terms and conditions of this Lease, including those regarding the permitted use of the Premises as specified in Section 1.16 hereof;
- d) Assumption; Attornment - Any assignment must specifically state (and, if it does not, it will be deemed to specifically state) that the assignee assumes and agrees to be bound by all terms and conditions of this Lease, and any sublease must specifically state (and, if it does not, it will be deemed to specifically state) that at Landlord's election the subtenant will attorn to Landlord and recognize Landlord as Tenant's successor under the sublease for the balance of the sublease term if this Lease is surrendered by Tenant or terminated by reason of Tenant's default;
- e) Processing Fee for Each Request - Notwithstanding anything contained in this Lease to the contrary, Landlord shall not be obligated to entertain or consider any request by Tenant to consent to any proposed assignment of this Lease or sublet of all or any part of the Premises unless each request by Tenant is accompanied by a nonrefundable fee payable to Landlord in the amount of One Thousand and 00/100 Dollars (\$1,000.00) to cover Landlord's administrative, legal, and other costs and expenses incurred in processing each of Tenant's requests. Neither Tenant's payment nor Landlord's acceptance of the foregoing fee shall be construed to impose any obligation whatsoever upon Landlord to consent to Tenant's request.
- f) If Keystone Real Estate Group, L.P. is the procuring cause for finding such sub-lessee, or assignee, then Keystone Real Estate Group, L.P. shall be paid a six percent (6%) brokerage commission on such sublet or assignment.
- g) Property's Existing Tenants and Occupants - No assignment or subletting will be to a then-existing Tenant or occupant of the Property nor violate or conflict with the rights of any such party;
- h) Rental Rate - No assignment or subletting will be for a lesser rental rate than is then being charged by Landlord for comparable space in the Property;
- i) Additional Security - Upon request the assignee (in the case of a proposed assignment) or Tenant (in the case of a proposed subletting) will increase the original security deposit hereunder to such amount as Landlord may reasonably require (or if no security was initially deposited hereunder, will post with Landlord such security as Landlord may require); and
- j) Approval by Mortgagee - The assignment or subletting must first be approved in writing by any mortgagee of Landlord having the right of approval thereof.

SECTION 13.04. Recapture of Excess Rents.

- a) Right to Share of Sublet Profit Minus Amortized Transaction Costs - If Landlord consents to any sublease of the Premises, or any part thereof, Tenant shall in consideration therefor pay to Landlord, as Additional Rent, 50% of the Excess Sublease Rent (as defined in

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Section b) less the reasonable and customary out-of-pocket transaction costs incurred by Tenant in connection with such subletting, including attorney's fees, brokerage commissions, and alteration costs (which transaction costs shall be amortized on a straight-line basis over the sublease term).

- b) Definition of Excess Sublease Rent - Rents, additional charges, and other consideration payable to Tenant by the subtenant for or by reason of such sublease and which are, in the aggregate, in excess of the rent payable under this Lease for the subleased space during the term of the sublease, including but not limited to:
 - 1) Sums paid for the sale or rental of Tenant's fixtures, leasehold improvements, equipment, furniture, furnishings, or other personal property, less the then net unamortized or undepreciated cost thereof determined on the basis of Tenant's federal income tax returns; and
 - 2) Sums paid for services provided by Tenant to such subtenant (including, without limitation, secretarial, word processing, receptionist, conference rooms, library) in excess of the fair market value of such services.
- c) Payment of Sublet Profit. Any amounts payable by Tenant pursuant to the foregoing provisions shall be paid by Tenant to Landlord as and when amounts on account thereof are due or paid, whichever occurs first, by any subtenant to Tenant, and Tenant agrees to promptly advise Landlord thereof and furnish such information as Landlord may request.

ARTICLE XIV: DAMAGE AND DESTRUCTION

SECTION 14.01. Destruction of the Premises. Rent Payments - If the Premises are at any time destroyed or damaged (including, without limitation, by smoke and water damage) as a result of a peril insured against by Landlord pursuant to this Lease, and if as a result of such occurrence:

- a) The Premises are rendered untenable only in part, this Lease shall continue in full force and effect, and Landlord shall commence diligently to repair or reconstruct the Premises (but to the extent only of proceeds received by Landlord from its insurers and exclusive of Tenant's improvements); and rent shall abate equitably to the portion of the Premises rendered untenable from the date of the destruction or damage until the date Landlord's repair is substantially completed (the "Repair Period"); or
- b) The Premises are rendered wholly untenable, Landlord shall commence diligently to repair or reconstruct the Premises (but to the extent only of proceeds received by Landlord from its insurers, and exclusive of Tenant's Work and rent shall abate entirely during the Repair Period; or
- c) The Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, and the rent and other charges payable by Tenant hereunder shall not terminate, be reduced, or abate.

SECTION 14.02. Landlord's and Tenant's Work After Damage.

- a) Upon Tenant being notified in writing by Landlord that Landlord's Work has been substantially completed, Tenant shall forthwith complete all Tenant's Work including, without limitation, such work as is required to fully restore the Premises for business fully fixtured, stocked, and staffed (however, in no event shall Landlord be required to give Tenant the benefit of any capital allowance inducement to lease, or other payments, regardless of whether such benefit was given, at the time of or in conjunction with the original construction of the Premises, by Landlord to Tenant in connection with the work. Tenant shall diligently complete Tenant's Work and, if the Premises have been closed for business, forthwith reopen for business to the public, fully fixtures, stocked and staffed, but in any event not later than 30 days after notice that Landlord's Work is substantially completed.
- b) Limitation of Landlord's Obligations - Nothing in this Article shall require Landlord to (1) restore, repair, or replace any Leasehold Improvements, inventory, furniture, chattels, signs, contents, fixtures (including Trade Fixtures), or personal property of Tenant located on, in, under, above, or which service the Premises, or (2) rebuild the Premises in the condition and state that existed before any such damage or destruction.
- c) Fault of Tenant. Despite anything contained to the contrary in this Article, and without limiting Landlord's rights or remedies hereunder, Minimum Rent shall not be abated under this Section if any damage or destruction is caused by any fault, neglect, default, negligence, act, or omission of Tenant or those for whom Tenant is in law responsible or any other person entering upon the Premises under express or implied invitation of Tenant.

SECTION 14.03. Damage During Last Two Years of Lease Term. Notwithstanding anything to the contrary set forth herein, if the Premises or the Property shall be damaged to the extent of twenty (20%) percent or more of the then cost of replacement during the last two (2) years of the Lease Term, Landlord may elect, within sixty (60) days after the occurrence of such event, either to repair or rebuild the Premises or the Property, as the case may be, or to terminate this Lease, which termination shall be effective upon giving timely notice to Tenant. If Landlord fails to timely give such notice of termination, this Lease shall, except as hereinafter provided,

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remain in full force and effect.

SECTION 14.04. Limits on Restoration Obligation. Notwithstanding the foregoing, Landlord shall have no obligation whatsoever to repair, reconstruct, or restore the Premises and/or the Property if any of the following occurs:

- a) The holder of a mortgage encumbering the Property or Premises elects not to permit the insurance proceeds payable upon damage to or destruction of the Property or Premises to be used for such repair, reconstruction, or restoration;
- b) Tenant is in default, or an event that, with the giving of notice or passage of time, would become a Default; or
- c) The Tenant has vacated or abandoned the Premises.

In any such event, Landlord may terminate this Lease by written notice to Tenant given within sixty (60) days after the damage or destruction.

ARTICLE XV: EMINENT DOMAIN

SECTION 15.01. Partial or Total Condemnation. If the whole or any part of the Premises shall be taken by any public authority under the power of eminent domain, Tenant shall have no claim to nor shall it be entitled to any portion of any award for damages or otherwise. In the event only a portion of the demised Premises are taken, the Lease shall cease as to the part taken and the Minimum Rent, and other charges herein reserved, if any, shall be adjusted so that Tenant shall be required to pay for the balance of the term that portion of the rent and other amounts herein reserved which the value of the part of the demised Premises remaining after condemnation bears to the value of the demised Premises immediately prior to the date of condemnation. The rental and other charges shall be apportioned as aforesaid by agreement between the parties or by legal proceedings, but pending such determination, Tenant shall pay at the time and in the manner above provided the rental herein reserved, and all other charges herein required to be paid by Tenant, with deduction. Upon such determination, Tenant shall be entitled to credit for any excess rentals paid. If, however, by reason of the condemnation there is not sufficient space left in the demised Premises for Tenant to conduct business in substantially the manner in which it was being conducted immediately prior to such taking, or the taking of parking and/or common areas is so substantial as to render the demised Premises unsuitable and unfit for which they were rented, then and in such events the Lease shall terminate. Although all damages in the event of condemnation belong to Landlord whether awarded as compensation for diminution in value of the leasehold or to the fee of the demised Premises, nothing herein shall be construed to prevent Tenant from claiming and recovering from the condemning authority such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right so long as any such award in no way reduces Landlord's award.

ARTICLE XVI: TENANT BANKRUPTCY

SECTION 16.01. Event of Bankruptcy Defined. An "Event of Bankruptcy" means the filing of a voluntary petition by Tenant, or the entry of an order for relief against Tenant, under Chapter 7, 11, or 13 of the Bankruptcy Code (or the conversion to a Chapter 11 or 13 proceeding or a proceeding that is filed by or against Tenant under any other chapter of the Bankruptcy Code).

SECTION 16.02. Assumption of Lease. If an Event of Bankruptcy occurs, the trustee of Tenant's bankruptcy estate or Tenant as debtor-in-possession may assume the Lease, and may subsequently assign it, only if it does the following within 60 days after the date of the filing of the voluntary petition, the entry of the order for relief or the date of conversion (or such additional time as a court of competent jurisdiction may grant, for cause, upon a motion made within the original 60-day period):

- a) File a motion to assume the Lease with the appropriate court;
- b) Satisfy all of the following conditions, which Landlord and Tenant acknowledge to be commercially reasonable:
 - 1) Cure all defaults under the Lease or provide Landlord with Adequate Assurance (see Section (16.03) below) that:
 - (A) it will cure all monetary defaults under the Lease within 10 days from the date of the assumption; and
 - (B) it will cure all nonmonetary defaults under the Lease within 30 days from the date of the assumption;
- c) Compensate Landlord and any other person or entity, or provide Landlord with Adequate Assurance that within 10 days after the date of the assumption, it will compensate Landlord and such other person or entity, for any pecuniary loss that Landlord and such other person or entity incurred as a result of the default of Tenant, the trustee, or the debtor-in-possession.
- d) Provide Landlord with Adequate Assurance of Future Performance of all of Tenant's obligations under the Lease.
- e) Deliver to Landlord a written statement that the conditions in this Section have been satisfied.

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SECTION 16.03. Adequate Assurance.

- a) Adequate Assurance - For purposes only of Section 16.02 above, and in addition to any other requirements under the Bankruptcy Code, any future Federal bankruptcy law and applicable case law, "Adequate Assurance" means at least:
 - 1) Entering an order segregating sufficient cash to pay Landlord and any other person or entity under Section 16.02 above and
 - 2) Granting to Landlord a valid first lien and security interest (in form acceptable to Landlord) in Tenant's property or its bankruptcy estate, which lien and security interest secures the trustee's or debtor-in-possession's obligation to cure the monetary and nonmonetary defaults under the Lease within the periods set forth in Section 16.02 above;
- b) Adequate Assurance of Future Performance - For purposes only of Section 16.02, and in addition to any other requirements under the Bankruptcy Code, any future Federal bankruptcy law and applicable case law, Adequate Assurance of Future Performance means at least:
 - 1) The trustee or debtor-in-possession depositing with Landlord, as security for the timely payment of rent and other monetary obligations, an amount equal to the sum of 2 months' minimum rent and 1/6 of Tenant's annual obligation under the Lease for the immediately preceding 12 months for common area costs, Real Estate Taxes and insurance payments and similar charges;
 - 2) The trustee or the debtor-in-possession agreeing to pay in advance, on each day that the minimum is payable, 1/12 of Tenant's annual obligation under the Lease for the immediately preceding 12 months for common area costs, real estate tax and insurance payments, promotional fund and similar charges;
 - 3) The trustee or debtor-in possession providing adequate assurance of the source of the rent and other consideration due under the Lease;
 - 4) The trustee or debtor-in-possession providing adequate assurance that the percentage rent, if applicable due under the Lease will not decline substantially; and
 - 5) Tenant's bankruptcy estate and the trustee or debtor-in-possession providing adequate assurance that the bankruptcy estate (and any successor after the conclusion of the Tenant's bankruptcy proceedings) will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the bankruptcy estate (and any successor after the conclusion of the Tenant's bankruptcy proceedings) will have sufficient funds to fulfill Tenant's obligations under the Lease and to keep the Premises stocked with merchandise and properly staffed with sufficient employees to conduct a fully-operational, actively-promoted business on the Premises; and

SECTION 16.04. Assignment of Lease in Bankruptcy.

- a. General - If the trustee or the debtor-in-possession assumes the Lease under Section (16.02) above and applicable bankruptcy law, it may assign its interest in this Lease only if the proposed assignee first provides Landlord with Adequate Assurance of Future Performance of all of Tenant's obligations under the Lease and said assignment is made subject to Article XIII herein.

ARTICLE XVII: LANDLORD'S RIGHT TO PERFORM RENOVATIONS AND ENTRY

SECTION 17.01. Entry by Landlord. Landlord and Landlord's agents shall have the right at reasonable times to enter the Premises to inspect the same or to maintain or repair, make alterations or additions to the Premises or any portion thereof or to show the Premises to prospective purchasers, tenants or lenders; provided, however, Landlord shall use commercially reasonable efforts not to interfere with or disrupt Tenant's business operations in the Premises. Landlord may, at any time, place on or about the Premises any ordinary "for sale" signs; Landlord may at any time during the last one hundred eighty (180) days of the term of the Lease place on or about the Premises any ordinary "for lease" signs. Tenant hereby waives any claim for abatement of rent or for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises and any other loss occasioned thereby.

SECTION 17.02. Landlord's Right to Perform Renovations.

- a. Tenant understands and agrees that Landlord may, at any time or from time to time during the term of this Lease, perform substantial renovation work in and to the Property or the demised Premises or the mechanical systems serving the Property or the demised Premises (which work may include, but need not be limited to, the repair or replacement of the Property's exterior facade, exterior window glass, elevators, electrical systems, air conditioning and ventilating systems, plumbing system, common hallways, or lobby), any of which work may require access to the same from within the Premises.
- b. Tenant agrees that:
 - 1) Landlord shall have access to the Premises at all reasonable times, upon reasonable notice, for the purpose of performing such work, and

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- 2) Landlord shall incur no liability to Tenant, nor shall Tenant be entitled to any abatement of rent on account of any noise, vibration, or other disturbance to Tenant's business at the Premises (provided that Tenant is not denied access to said Premises) which shall arise out of said access by Landlord or by the performance by Landlord of the aforesaid renovations at the Property.
- c) Landlord shall use reasonable efforts (which shall not include any obligation to employ labor at overtime rates) to avoid disruption of Tenant's business during any such entry upon the Premises by Landlord.
- d) It is expressly understood and agreed by and between Landlord and Tenant that if Tenant shall commence any action or proceeding seeking injunctive, declaratory, or monetary relief in connection with the rights reserved to Landlord under this provision, or if Landlord shall commence any action or proceeding to obtain access to the Premises in accordance with this provision, and if Landlord shall prevail in any such action, then Tenant shall pay to Landlord, as additional rent under this Lease, a sum equal to all legal fees, costs, and disbursements incurred by Landlord in any way related to or arising out of such action or proceeding.

ARTICLE XVIII: ALTERATIONS

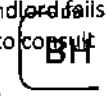
SECTION 18.01. Landlord Consent Needed. Not applicable

SECTION 18.02. Consent Request Procedure. Prior to the commencement of any Tenant Changes, Tenant shall submit to Landlord, for Landlord's written approval, plans and specifications (to be prepared by and at Tenant's sole cost and expense) for the proposed Tenant Changes in detail reasonably satisfactory to Landlord. Landlord agrees to grant or withhold its approval of such plans and specifications within fifteen (15) business days after Landlord's receipt thereof (which request will note on the cover page in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business-day period). If Landlord fails to respond to such request within said fifteen (15) business-day period, the plans and specifications shall be deemed approved, unless Landlord needs to consult with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time. Tenant shall comply with all conditions set forth in the rules and regulations for tenant alterations contained in Landlord's written consent of such Tenant Changes.

SECTION 18.03. Amendment of Plans and Specifications. No Tenant Changes shall be undertaken, started, or begun by Tenant or by its agents, employees, contractors, or anyone else acting for or on behalf of Tenant until Landlord has approved such plans and specifications. No amendments or additions to such plans and specifications as approved shall be made without the prior written consent of Landlord, which consent shall be granted in accordance with the standard used when consent was granted with respect to the initially submitted plans. Landlord agrees to grant or withhold its consent within fifteen (15) business days after Tenant makes request thereof (which request will note on the cover page in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business-day period). If Landlord fails to respond within said fifteen (15) business-day period, the changes to the approved plans and specifications shall be deemed approved, unless Landlord needs to consult with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time.

SECTION 18.04. When Prior Consent Not Needed. Notwithstanding above, with respect to carpeting and painting and other Tenant Changes which (a) are nonstructural in nature (i.e., do not involve changes to the structural elements of the Premises or the Property); (b) do not involve changes to the systems, including, without limitation, the electrical, plumbing, and HVAC system (except for changes to those systems which solely serve the Premises and will not affect the Property's systems)); (a) and (b) are hereinafter collectively referred to as "Nonstructural Changes"; and (c) in the aggregate would not cost in excess of \$6,000 when added together with the cost of all other Nonstructural Changes made during the prior 12-month period, Tenant need not obtain Landlord's prior written consent, but must notify Landlord in writing within 10 days prior to the commencement of such Tenant Changes.

SECTION 18.05. When Prior Consent May Not be Unreasonably Withheld. With respect to Nonstructural Changes that would cost alone or in the aggregate in excess of \$6,000 when added together with the cost of all other Nonstructural Changes made during the prior 12-month period, Landlord agrees that it will not unreasonably withhold its consent, provided however, Landlord may, in granting or withholding its consent, consider among other things, including, without limitation, whether the space will be usable for future tenants, or be unusually expensive to redesign or demolish at the end of the term, and will act upon Tenant's request to make such Nonstructural Changes within fifteen (15) business days after Landlord receives Tenant's request for consent (which request must note on the cover in **boldface letters** that Landlord is obligated to respond to said request within fifteen (15) business days). If Landlord fails to respond within such fifteen (15) business-day period, Tenant's request shall be deemed approved, unless Landlord needs to consult



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with an outside consultant or expert with respect thereto, in which case Landlord's consent shall be granted or denied within a reasonable period of time.

SECTION 18.06. Payment by Tenant. Tenant Changes shall be made and completed at Tenant's sole cost and expense and at such times and in such manner as Landlord may from time to time reasonably designate.

SECTION 18.07. Approved Contractors and Mechanics. Tenant shall at all times use the contractors and mechanics then appearing on Landlord's approved list if the Tenant Changes involve changes to the Premises or Property's systems and/or structural elements.

SECTION 18.08. Compliance with Laws, Landlord's Rules, and Plans and Specifications. All Tenant Changes shall at all times (a) comply with all laws, rules, orders, and regulations of governmental authorities having jurisdiction thereof and all insurance requirements, (b) comply with the Property's rules and regulations now or hereafter in existence, and (c) comply with the plans and Tenant's specifications approved by Landlord.

ARTICLE XIX: HAZARDOUS SUBSTANCES

SECTION 19.01. Definition; Landlord's Representation and Warranty. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substances the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§1251 et seq.), the Clean Air Act (42 U.S.C. §§7401 et seq.) the Toxic Substances Control Act, as amended (15 U.S.C. §§2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. §§651 et seq.), as these laws have been amended or supplemented.

The term "Hazardous Substances," as used in this Lease, shall include, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals know to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

Landlord hereby represents and warrants that, as of the Effective Date, neither the New Premises nor the Common Areas contain any Hazardous Substance in violation of applicable law.

SECTION 19.02. Tenant's Responsibility Regarding Hazardous Substances.

a) Tenant's Restrictions. Tenant shall not cause or permit to occur:

- 1) Any violation of any federal, state or local law, ordinance, or regulation now or hereafter enacted, related to environmental conditions on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions, or
- 2) The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Premises, or the transportation to or from the Premises of any Hazardous Substance in violation of Laws.

b) Environmental Clean-up.

- 1) Tenant shall, at Tenant's own expense, comply with all laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances ("Laws").
- 2) Tenant shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Laws.
- 3) Should any Authority or any third party demand that a cleanup plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances by Tenant that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans. Notwithstanding anything contained in this Lease to the contrary, in no event will Tenant be

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liable for any deposit, spill, discharge, or other release of Hazardous Substances not caused by Tenant.

- 4) Tenant shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances that is requested by Landlord. If Tenant fails to fulfill any duty imposed under this Paragraph (b) within a reasonable time, Landlord may do so; and in such case, Tenant shall cooperate with Landlord in order to prepare all documents Landlord deems necessary or appropriate to determine the applicability of the Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any Law shall constitute a waiver of any of Tenant's obligations under this Section.
- 5) Tenant's obligations and liabilities under this Article shall survive the expiration of this Lease.

SECTION 19.03. Tenant's Indemnity.

- a) Tenant shall indemnify, defend, and hold harmless Landlord, the manager of the Property, and their respective officers, directors, beneficiaries, shareholders, partners, agents, and employees from all fines, suits, procedures, claims, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances caused by Tenant that occurs during the term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws.
- b) Tenant's obligations and liabilities under this Article shall survive the expiration of this Lease.

SECTION 19.04. Lead Based Paint Disclosure. Landlord makes no disclosures relating to the presence or absence of lead paint in the Premises. Tenant shall perform Tenant's own investigation into, and bear all risk associated with, the presence or absence of lead paint in the Premises.

ARTICLE XX: EVENTS OF DEFAULT AND LANDLORD'S REMEDIES

SECTION 20.1. Events of Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

- a) Any failure by Tenant to pay the rent required to be paid hereunder, where such failure continues for ten (10) days after receipt of written notice by Landlord,
- b) Any failure by Tenant to pay any monetary sums required to be paid hereunder other than rent where such failure continues for ten (10) days after receipt of written notice thereof by Landlord to Tenant;
- c) The abandonment or vacation of the Premises by Tenant or the discontinuance by Tenant of the use of the Premises as provided in Section 1.16;
- d) A failure by Tenant to observe and perform under the Rules and Regulations, or any other provision of this Lease to be observed or performed by Tenant, where such failure continues for ten (10) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such ten (10) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion.
- e) The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.
- f) Any other action of Tenant referred to in this Lease as constituting a default or breach by Tenant.
- g)
 - 1) Chronic Defaults - Tenant will be in "Chronic Default" under this Lease if Tenant commits a default (either a Monetary or Non-Monetary Default) during any 365-day period in which any of the following combinations of default has already occurred (even though said defaults may have been timely cured): (a) Three Monetary Defaults; or (b) Four Non-Monetary Defaults; or (c) Two Monetary Default and two Non-Monetary Defaults.
 - 2) Remedies. If Tenant is in Chronic Default, Landlord may immediately exercise any or all remedies available under this Lease or

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at law or in equity, all without giving Tenant any notice or an opportunity to cure the last default causing Tenant's Chronic Default (notwithstanding any notice and cure provision or other lease provision to the contrary).

- 3) Definitions. For the purposes of this section,
 - a. A Monetary Default occurs if Tenant fails to pay any sum of money when due (including, but not limited to, minimum rent and additional rent;
 - b. A Non-Monetary Default occurs if Tenant fails to perform any of its obligations under this Lease other timely payment of money.

SECTION 20.02. Landlord's Remedies. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice and demand, and without limiting Landlord in the exercise of any rights or remedy at law or in equity which Landlord may have by reason of such default or breach:

- a) To accelerate the whole or any part of the rent for the entire unexpired balance of the current term of this Lease, as well as all other charges, payments, costs and expenses herein agreed to be paid (or already due and payable) by Tenant, and any rent or other charges, payments, costs and expenses if so accelerated shall be deemed due and payable as if, by the terms and provisions of this Lease, such accelerated rent and other charges, payments, costs and expenses were on that date payable in advance.
- b) **INTENTIONALLY OMITTED.**
- c) **IF TENANT SHALL DEFAULT IN THE PAYMENT OF THE RENT HEREIN RESERVED OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY TENANT, THIS LEASE MAY, AT THE OPTION OF LANDLORD, BE TERMINATED AND, IN SUCH EVENT, ANY ATTORNEY MAY IMMEDIATELY THEREAFTER, AS ATTORNEY FOR THE TENANT, AT THE SOLE REQUEST OF LANDLORD, SIGN AN AGREEMENT FOR ENTERING IN ANY COMPETENT COURT AN AMICABLE ACTION AND JUDGMENT IN EJECTMENT (WITHOUT ANY STAY OF EXECUTION OR APPEAL) AGAINST TENANT AND ALL PERSONS CLAIMING UNDER TENANT, FOR THE RECOVERY BY LANDLORD OF POSSESSION OF THE PREMISES WITHOUT ANY LIABILITY ON THE PART OF THE SAID ATTORNEY, FOR WHICH THIS SHALL BE A SUFFICIENT WARRANT, AND THEREUPON A WRIT OF POSSESSION MAY ISSUE FORTHWITH WITHOUT ANY PRIOR PROCEEDINGS WHATSOEVER. AND TENANT HEREBY RELEASES LANDLORD OF ALL ERRORS AND DEFECTS WHATEVER IN ENTERING SUCH ACTION OR JUDGMENT, OR CAUSING SUCH WRIT OF POSSESSION TO BE ISSUED, AND HEREBY AGREES THAT NO WRIT OF ERROR OR OBJECTION OR EXCEPTION SHALL BE MADE OR TAKEN THERETO, AND WITH A COPY OF THIS LEASE, VERIFIED BY AFFIDAVIT, BEING FILED IN SUCH ACTION, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS A WARRANT OF ATTORNEY, ANY LAW OR RULE OF COURT TO THE CONTRARY NOTWITHSTANDING. NO SUCH DETERMINATION OF THIS LEASE, NOR TAKING OR RECOVERING POSSESSION OF THE PREMISES, SHALL DEPRIVE LANDLORD OF ANY ACTION AGAINST TENANT FOR POSSESSION AND FOR THE RENTS, CHARGES, PAYMENTS, COSTS AND EXPENSES REFERRED TO IN THIS ARTICLE.**
- d) Landlord shall have a lien on all trade fixtures, furnishings, equipment and other personal property of Tenant which are placed in, or become a part of, the Premises, as security for the rents, charges, payments, costs and expenses referred to herein, which lien shall not be in lieu of or in any way affect the statutory Landlord's lien given by law, but shall be cumulative thereto. Tenant hereby grants to Landlord a security interest in all such personal property above enumerated for such purposes.
- e) Re-enter upon the Premises with or without process of law and take possession of the same and of all trade fixtures, furnishings and equipment of Tenant including the right to change door locks and suspend utilities and services and expel or remove Tenant and all other parties occupying the Premises, using such force as may reasonably be necessary to do so without being liable to Tenant for any loss or damage occasioned thereby. Such personal property of Tenant may be removed by Landlord from the Premises and stored for the account of and at the expenses and risk of Tenant; or Landlord may, at its option, and after giving Tenant five (5) days' prior written notice thereof, sell said personal property at public or private sale for such price and upon such terms as Landlord may determine, applying the proceeds of such sale against the balance owing by Tenant to Landlord under this Lease, including the expense of such removal and sale.
- f) Terminate this Lease, or from time to time, without terminating this Lease, relet the Premises or any part thereof on such terms and conditions as Landlord, in its sole discretion, shall determine with the right to make alterations and repairs to said Premises; provided, however, that Landlord shall in no way be responsible or liable for any failure to relet the Premises or any part thereof or for any failure to collect any rent due upon any such reletting. In the event Landlord relets the Premises from time to time, the rentals so received shall be applied first to the payment of any obligation other than rent due hereunder from Tenant to Landlord, then to the payment of the cost of such reletting, including attorneys' fees and broker's commission which Landlord may have paid or incurred in connection with such repossession and reletting, then to the payment of the costs of any alteration or repair to the Premises to make them tenantable or acceptable to a new tenant, then to the payment of rent and other charges, payments, costs and expenses referred to herein due and unpaid hereunder and the residue, if any, shall be held by the Landlord and applied in payment of future rent as the same may become due and payable hereunder. Whether or not the Premises are relet, the tenant

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shall pay Landlord until the end of the term the amount of all rent and other charges required to be paid by Tenant hereunder, less the proceeds of such reletting during the term hereof, if any, after payment of the foregoing expenses.

- g) Landlord shall not by such re-entry or any other act be deemed to have terminated this Lease or the liability of Tenant for the total rent reserved hereunder unless Landlord shall give to Tenant written notice of Landlord's election to terminate this Lease. In the event that Landlord shall terminate this Lease as provided herein, Landlord shall thereupon be entitled to recover from Tenant the worth, at the time of such termination, or the excess, if any, of the rent and other charges required to be paid by Tenant hereunder for the balance of the term (if this Lease had not been so terminated) over the then reasonable rental value of the Premises for such period.
- h) No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy herein or by law provided but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

ARTICLE XXI: TRADE FIXTURES - SURRENDER OF PREMISES - HOLDOVER

SECTION 21.01. Trade Fixtures. All trade fixtures hereafter installed by Tenant in the demised premises shall remain the property of Tenant and shall be removable by Tenant at the expiration or earlier termination of the term of this Lease provided that: (a) Tenant shall not at such time be in default under this Lease and (b) in the event of the removal of any or all of such trade fixtures Tenant shall promptly restore the damage done to the premises by the installation and/or removal thereof. Should Tenant fail to so remove Tenant's trade fixtures and/or to so restore the premise, Landlord may do so, collecting at Landlord's option, the cost and expense thereof, as additional rent, upon demand. Any such trade fixtures which are not removed and those which by the terms of the Lease are not removable by Tenant at or prior to any termination of this Lease including, but not limited to, a termination by Landlord pursuant to this Lease, shall unless Landlord gives Tenant notice to remove any or all of such trade fixtures, be and become the property of Landlord (without any obligation by Landlord to pay compensation for such trade fixtures). In the event Landlord gives Tenant such notice to remove any or all of such trade fixtures, Tenant shall promptly remove such of the trade fixtures as may be specified by Landlord in such notice. Notwithstanding anything herein contained to the contrary or any decision of any court to the contrary, the term "trade fixtures" shall not include any air-conditioning, heating, lighting, electrical and plumbing equipment installed by Tenant in the demised premises, nor any wiring or other apparatus related thereto. Some are used.

SECTION 21.02. Surrender of Premises. At the expiration of or earlier termination of the term of this Lease, Tenant shall peaceably surrender the leased Premises in the same condition including, but not limited to, the conditions of cleanliness, as the leased premises were upon the Commencement Date with any and all improvements or alterations made by or on behalf of Tenant, ordinary wear and tear excepted to the extent the leased Premises is not required to be repaired and/or maintained by Tenant and damage by unavoidable casualty excepted to the extent that the same is covered by Landlord's fire insurance policy with extended coverage endorsement, and Tenant shall surrender all keys for the leased Premises to Landlord at the place then fixed for the payment of rent and shall notify Landlord in writing of all combinations of locks, safes and vaults, if any, in the leased Premises. Tenant shall comply with the provisions of this Article respecting the removal of its trade fixtures before surrendering the premises as aforesaid. Tenant's obligation to observe and perform the covenants set forth herein shall survive the expiration or earlier termination of the term of this Lease.

SECTION 21.03. Tenant Holdover. If Tenant shall default in surrendering the Premises upon the expiration or earlier termination of the term of this Lease, the following shall occur:

- a) Tenancy-at-Will - Tenant's occupancy subsequent to such expiration or termination, whether or not with the consent or acquiescence of Landlord, shall be deemed to be that of a tenancy-at-will and in no event from month-to-month or from year-to-year and it shall be subject to all terms, covenants and conditions of this Lease applicable thereto, including, without limitation, those set forth in this holdover provision. In the event that Tenant defaults or remains in possession of the Premises or any part thereof after the expiration of the tenancy-at-will created hereby then Tenant's occupancy shall be deemed a tenancy-at-sufferance and not a tenancy-at-will.
- b) Minimum Rent Increase - During the first month and for the remainder of the period in which Tenant holds over the minimum rent shall be equal to one and one-half times the monthly amount payable during the last year of the term.
- c) No Renewal - No option to extend or renew this Lease shall have been deemed to have occurred by Tenant's holdover. Any and all options to extend or renew set forth in this Lease shall be deemed terminated and shall be of no further effect as of the first date the Tenant holds over.
- d) Tenant Liable for Damages - In addition to the payment of the increased minimum rent as set forth above and all additional rent

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Tenant shall be liable to Landlord for all costs, losses, claims or liabilities (including the costs of collections and attorney's fees) which Landlord may incur as a result of Tenant's failure to surrender possession of the Premises to Landlord upon the expiration or earlier termination of this Lease.

- e) **Minimum Legal Fees** - In the event Landlord shall commence proceedings to dispossess Tenant by reason of Tenant's default or Tenant's holdover after the expiration of the tenancy hereby created, then Tenant shall pay as additional rent, in addition to costs and disbursements, minimum legal fees of \$1,000 for each proceeding so commenced. In the event said legal fees exceed \$1,000 for each proceeding, Tenant shall pay, as additional rent, the full amount of the legal fees, in addition to costs and disbursements.
- f) **No Liquidated Damages** - In no way shall the increased minimum rent set forth in subsection (b) hereof or any other monetary or nonmonetary requirements set forth in this Lease be construed to constitute liquidated damages for Landlord's losses resulting from Tenant's holdover.
- g) **No Landlord Consent** - Nothing contained herein shall be construed to constitute Landlord's consent to Tenant holding over at the expiration or earlier termination of this Lease term or to give Tenant the right to hold over after the expiration or earlier termination of the Lease term.

ARTICLE XXII: MISCELLANEOUS

SECTION 22.01. Successors. All rights, obligations and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, trustees, receivers, legal representatives, successors and assigns of the said parties; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee, legal representative, trustee, receiver, legatee or other personal representative of Tenant unless the assignment to such party has been approved by Landlord in writing pursuant to the terms of this Lease.

SECTION 22.02. Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver or any subsequent breach of the same or a waiver of any other term, covenant or condition herein contained.

SECTION 22.03. Custom and Usage. Any law, usage or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the covenants and conditions of this Lease in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of the Landlord in refraining from so doing at any time or times with respect to the Tenant hereunder or with respect to other tenants of the Property. The failure of Landlord at any time or times to enforce its rights under said covenants and provisions strictly in accordance with the same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions and covenants of this Lease or as having in any way or manner modified the same.

SECTION 22.04. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any payment of rent or other charges herein stipulated shall be deemed to be other than on account of the earliest stipulated rent or other charges then due and payable, nor shall any endorsement, or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease, at law or in equity.

SECTION 22.05. Performance of Tenant's Covenants. Tenant covenants and agrees that it will perform all agreements and observe all covenants herein expressed on its part to be performed and observed and that it will promptly, upon receipt of written notice specifying action desired by Landlord in connection with any such agreement or covenant, comply with such notice; and further, that if Tenant shall not comply with any such notice to the satisfaction of Landlord prior to the date on which such non-compliance would constitute an Event of Default, in addition to, and not in lieu of or in limitation of any other remedy which Landlord may have pursuant to this Lease, at law or in equity, Landlord may, but shall not be obligated to, enter upon the premises and do the things specified in said notice. Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action and Tenant agrees to pay upon demand, as additional rent, any expense incurred by Landlord in taking such action. Notwithstanding the foregoing, Landlord's performance of any or all of Tenant's covenants shall not release Tenant from liability for non-performance.

SECTION 22.06. No Partnership. Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with Tenant.

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SECTION 22.07 Notices. All notices given to Landlord hereunder shall be writing and forwarded to it at the address shown in Article I, Section 1.04, postage prepaid, by registered or certified mail, return receipt requested. All notices to Tenant shall be forwarded to it at the address set forth in Article I, Section 1.06 of Lease until Landlord is notified otherwise in writing, by postage prepaid, registered or certified mail, return receipt requested or by delivery in person and in the event of a delivery in person, the affidavit of the person making such delivery shall be conclusive proof of the delivery and of the date and time of such delivery. All notices shall be deemed to have been given on the date when deposited in the mail receptacles maintained by the corporation which has been chartered by the United States Government to operate and deliver the mail as aforesaid, or, in the case of notices delivered in person to Tenant, when so delivered. Notices by the Landlord may be given on its behalf by Agent or by any attorney for Landlord.

SECTION 22.08. Captions and Index. The captions and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such Section or Articles of this Lease nor in any way affect this Lease.

SECTION 22.09. Tenant Defined; Use of Pronoun. The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural number where there is more than one Landlord or Tenant and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

SECTION 22.10. Liability of Agent. Any entity Agent for Landlord is acting as Agent only and in such capacity shall not in any event be held liable to the Landlord or to Tenant for the fulfillment or non-fulfillment of any of the terms, covenants or conditions of this Lease or for any action or proceedings that may be taken by Landlord against Tenant, or by Tenant against Landlord. Any waiver of Landlord's liability hereunder, including any waiver of subrogation rights, shall apply with equal force and effect of such Agent.

SECTION 22.11. Effect of Governmental Limitation on Rents and Other Charges. In the event that any law, decision, rule or regulation of any governmental body having jurisdiction shall have the effect of limiting for any period of time the amount of rent or other charges payable by Tenant to any amount less than that otherwise provided pursuant to this Lease, the following amounts shall nevertheless be payable by Tenant; (a) throughout such period of limitation, Tenant shall remain liable for the maximum amount of rent and other charges which are legally payable (without regard to any limitation to the amount thereof expressed in this Lease except that all amounts payable by reason of this Section shall not in the aggregate exceed the total of all amounts which would otherwise be payable by Tenant pursuant to the terms of this Lease for the period of limitation), (b) at the termination of such period of limitation, Tenant shall pay to Landlord, on demand but only to the extent legally collectible by Landlord, any amounts which would have been due from the Tenant during the period of limitation but which were not paid because of such limiting law, decision, rule or regulation, and (c) for the remaining term of this Lease following the period of limitation, Tenant shall pay to Landlord all amounts due for such portion of the term of this Lease in accordance with the terms hereof calculated as though there had been no intervening period of limitation.

SECTION 22.12. Partial Invalidity; Separate Covenants. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law. Furthermore, each covenant, agreement, obligation and other provision contained in this Lease is, and shall be deemed and construed as a separate and independent covenant of the party bound by, undertaking or making the same, and not dependent on any other provision of this Lease unless expressly so provided.

SECTION 22.13. Entire Agreement. This Lease and the Exhibits attached, if any, form a part of this Lease together with the rules and regulations adopted and promulgated by the Landlord hereof and set forth all the covenants, promises, assurances, agreements, representations, conditions, warranties, statements, and understandings between the Landlord and the Tenant concerning the Leased Premises and the Property, and there are no representations, either oral or written, between them other than those in this Lease. This Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, representations, and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or

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any other person purporting to represent the Landlord or the Tenant. The Tenant acknowledges that it has not been induced to enter into this Lease by any representations not set forth in this Lease, it has not relied on any such representations, no such representations shall be used in the interpretation or construction of this Lease, and the Landlord shall have no liability for any consequences arising as a result of any such representations. Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon the Landlord or the Tenant unless in writing and signed by each of them.

SECTION 22.14. Attorney Fees. Notwithstanding anything to the contrary in this Lease, if either Landlord or Tenant shall commence any legal action or proceeding against the other arising out of or relating to this Lease, the prevailing party (i.e., the party as to which the judgment or decision shall be more favorable on all significant issues) shall be entitled to recover from the other party, in addition to any other relief, its actual court costs and attorneys' fees irrespective of whether or not the action or proceeding is prosecuted to judgment and irrespective of any court schedule of reasonable attorneys' fees.

Tenant's obligations under this Section shall survive the expiration of the Term or any other termination of this Lease. This Section is intended to supplement (and not to limit) other provisions of this Lease pertaining to indemnities and/or attorney's fees.

SECTION 22.15. Commercial Lease. The parties acknowledge and agree that this is a commercial lease within the laws of Pennsylvania.

SECTION 22.16. No Construction Against Preparer. This Lease has been prepared by Landlord and its professional advisors and reviewed by Tenant and its professional advisors. Landlord, Tenant and their separate advisors believe that this Lease is the product of their joint efforts, that it expresses their agreement, and that it should not be interpreted in favor of either Landlord or Tenant or against either Landlord or Tenant merely because of their efforts in its preparation, and that, in any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of this Lease or any of its terms or conditions, there shall be no inference, presumption, or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease or any portion thereof.

SECTION 22.17. Authority. Tenant represents and warrants that it is duly formed and in good standing and if the Tenant is a Corporation or a Partnership, has full corporate or partnership power and authority, as the case may be, to enter into this Lease and has taken all corporate or partnership action, as the case may be, necessary to carry out the transaction contemplated herein, so that when executed, this Lease constitutes a valid and binding obligation enforceable in accordance with its terms. Tenant shall provide Landlord with corporate resolutions, Partnership Agreements or other proof in a form acceptable to Landlord authorizing the execution of the Lease at the time of such execution.

SECTION 22.18. Tenant Representation. Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Premises and the Property and is relying solely on its own judgment and the representations and warranties of Landlord set forth in this Lease, if any, in entering into this Lease; specifically, and without limitation, Tenant represents and warrants to Landlord that Tenant has had an opportunity to measure the actual dimensions of the Premises, the Landlord makes no representation or warranty as to the usable or rentable square footage of the Premises.

SECTION 22.19. Default by Landlord. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Any claim, demand, right or defense by Tenant that arises out of this Lease or the negotiations that preceded this Lease shall be barred unless Tenant commences an action thereon, or interposes a defense by reason thereof, within six (6) months after the date of the inaction, omission, event or action that gave rise to such claim, demand, right, or defense. Tenant acknowledges and understands, after having consulted with its legal counsel that the purpose of this paragraph is to shorten the period within which Tenant would otherwise have to raise such claims, demands, rights or defenses under applicable laws.

SECTION 22.20. Transfer of Landlord's Interest. In the event of a sale or conveyance by Landlord of Landlord's interest in the Premises

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other than a transfer for security purposed only, Landlord shall be relieved from and after the date specified in such notice of transfer of all obligations and liabilities accruing thereafter on the part of the Landlord, provided that any funds in the hands of Landlord at the transfer in which Tenant has an interest, shall be delivered to the successor of Landlord. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee provided all Landlord's obligations hereunder are assumed in writing by the transferee.

SECTION 22.21. Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, terrorism or bio-terrorism, military attack, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not operate to excuse Tenant from prompt payment of minimum rent and other charges or any other payments required by the terms of this Lease.

SECTION 22.22. Inability to Perform. Whenever Landlord shall be required by the terms of this Lease or otherwise to make any improvements or repairs or reconstruction of the Demised Premises or to fulfill any other obligation under this Lease, and Landlord shall be delayed in, or prevented from, so doing, Landlord shall not be deemed thereby to be in default, and this Lease and the obligation of Tenant to pay rent hereunder and to perform all of the other covenants and agreements hereunder on the part of Tenant to be performed shall in nowise be affected, impaired or excused, and any time limit herein fixed for Landlord's performance thereof shall be extended, if and so long as Landlord's non-performance, delay or default shall be caused by factors beyond Landlord's reasonable control.

SECTION 22.23. Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or a combination of two or more) are the Tenant, the liability of each individual, corporation, partnership or other business association is joint and several. If Tenant is a partnership or other business association, the members of which are subject to personal liability, the liability of each member is joint and several.

SECTION 22.24. Acceptance of Premises. As may be provided for elsewhere in this Lease, Landlord shall deliver and Tenant shall accept the Premises in absolutely "as is, where is" condition.

SECTION 22.25. Time of the Essence. Time shall be of the essence of this Lease and of each of the provisions hereof.

SECTION 22.26. Guarantee. Not Applicable

SECTION 22.27. Recording. Tenant shall not record this Lease without the written consent of Landlord. If Landlord requests, the parties shall execute and acknowledge a short form of lease for recording purposes which shall be recorded at Landlord's expense.

SECTION 22.28. Capacity of Tenant. Tenant warrants that Tenant is acting for its own account in this transaction and is not acting as an agent, trustee, executor, or in any other representative capacity whatsoever.

SECTION 22.29. Brokerage Commission. Tenant represents and warrants to Landlord that Tenant has had no dealing, negotiations or consultations with respect to the Premises, the Property or this transaction with any broker, finder or agent and that no broker, finder or agent called the Premises or any other space in the Property to Tenant's attention for lease. In the event that any other broker, finder or agent claims to have submitted the Premises or any other spaces in the Property to Tenant, to have induced Tenant to lease the Premises or to have taken part in any dealings, negotiations or consultations with respect to the Premises, the Property or this transaction, Tenant will be responsible for and will defend, indemnify and save Landlord harmless from and against all costs, fees (including without limitation attorney's fees) expenses, liabilities and claims incurred or suffered by Landlord as a result thereof.

SECTION 22.30. Waiver of Jury Trial. Tenant hereby expressly waives any and all right of trial by jury in any action or proceeding arising out of or in any way relating to the terms of this Lease, the relation of Landlord and Tenant, Tenant's use and occupancy of the Premises, or any claim of injury or damage thereto or to Landlord or to Tenant.

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**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURES APPEAR ON FOLLOWING PAGE]**

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[SIGNATURE PAGE TO TRIPLE NET LEASE AGREEMENT]

IN WITNESS WHEREOF the respective parties hereto have caused these presents to be signed, sealed and delivered on the ___ day of 10/29/2018, 2018, and the parties warrant that they have the authority to execute this Lease.

WITNESS:

DocuSigned by:
Kandy Jo Weader
C7B43FEA5D04409

LANDLORD:

KEYSTONE REAL ESTATE GROUP, L.P., a Pennsylvania limited partnership, as agent for HEIM FAMILY LIMITED PARTNERSHIP, doing business as CREEKSIDE REAL ESTATE JOINT VENTURE

DocuSigned by:
Jason Krout
By: FF35868F610CAD1
Name: Jason Krout
Title: vice President of Operations Associate Broker

WITNESS:

DocuSigned by:
Kathie Ritchey
00637CF6626640C

TENANT:

THE PENNSYLVANIA CYBER CHARTER SCHOOL, a Pennsylvania public charter school

DocuSigned by:
Brian Hayden
By: 66006C84E08C4C
Name: Brian Hayden
Title: CEO

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EXHIBIT A: RULES AND REGULATIONS FOR NNN LEASES

The following rules and regulations shall apply, where applicable, to the Premises, the Building, the parking garage associated therewith (if any), the Property and the appurtenances thereto:

1. Tenant shall not suffer or permit the obstruction of any common areas, including driveways and walkways.
2. Trash must be disposed regularly by Tenant. It should not be left in the common areas at any time.
3. Tenant shall not place any additional lock or locks on any door in the common areas without Landlord's prior written consent. A reasonable number of keys to the locks on the doors in the common areas shall be furnished by Landlord to Tenant at the cost of Tenant, and Tenant shall contact Building maintenance for permission to have more keys made. All keys and passes shall be returned to Landlord at the expiration or earlier termination of this Lease.
4. Tenant shall not use the Premises in any manner which would overload the standard heating, ventilating or air conditioning systems of the Property.
5. Tenant shall keep all electrical and mechanical apparatus owned by Tenant free of vibration, noise and airwaves which may be transmitted beyond the Premises.
6. Canvassing, soliciting and peddling in or about the Property is prohibited. Tenant shall cooperate and use its best efforts to prevent the same.
7. Tenant shall not utilize any equipment or apparatus in such manner as to create any magnetic fields or waves which adversely affect or interfere with the operation of any systems or equipment on the Property.
8. Bicycles and other vehicles are not permitted inside or on the walkways outside the Building, except in those areas specifically designated by Landlord for such purposes.
9. Tenant shall not operate or permit to be operated on the Premises any coin or token operated vending machine or similar device (including, without limitation, telephones, lockers, toilets, scales, amusements devices and machines for sale of beverages, foods, candy, cigarettes or other goods), except for those vending machines or similar devices which are for the sole and exclusive use of Tenant's employees, and then only if such operation does not violate the lease of any other tenant in the Building.
10. If the Tenant uses pest services, Tenant shall utilize a KREG approved provider to control pests in the Premises. Tenant shall bear the cost and expense of such extermination services.
11. To the extent permitted by law, Tenant shall not permit picketing or other union activity involving its employees or agents in the Building or on the Property, except in those locations and subject to time and other constraints as to which Landlord may give its prior written consent, which consent may be withheld in Landlord's sole discretion.
12. Tenant shall comply with all applicable laws, ordinances, governmental orders or regulations and applicable orders or directions from any public office or body having jurisdiction, with respect to the Property and the use thereof. Tenant shall not make or permit any use of the Property which is directly or indirectly forbidden by law, ordinance, governmental regulation or order, or direction of applicable public authority, or which may be dangerous to person or property.
13. Tenant shall not use or occupy the Premises in any manner or for any purpose which would injure the reputation or impair the present or future value of the Premises or the Property; without limiting the foregoing, Tenant shall not use or permit the Premises or any portion thereof to be used for lodging, sleeping or for any illegal purpose.
14. Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Property, its occupants, entry and use, or its contents. Tenant, Tenant's agents, employees, contractors, guests and invitees shall comply with Landlord's reasonable requirements thereto.
15. Landlord shall have the right to prohibit the use of the name of the Property or any other publicity by Tenant that in Landlord's opinion may tend to impair the reputation of the Property or its desirability for Landlord or its other tenants. Upon written notice from Landlord, Tenant will refrain from and/or discontinue such publicity immediately.
16. Neither Tenant nor any of its employees, agents, contractors, invitees or customers shall smoke in any area designated by Landlord (whether through the posting of a "no smoking" sign or otherwise) as a "no smoking" area.
17. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any Tenant nor shall any changes be made in existing locks or the mechanism thereof without Landlord's prior written consent.
18. Movement in or out of the Property or Premises of furniture or equipment, or dispatch or receipt by Tenant of any merchandise or materials, shall be restricted to normal business hours, unless otherwise approved in advance by Landlord. All such movement shall be under supervision of Landlord and in the manner agreed between Tenant and Landlord by prearrangement before performance. Such prearrangement initiated by Tenant will include determination by Landlord and subject to its decision and control, as to the concerns that may prohibit any equipment or other item from being brought

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onto the Property. Tenant is to assume all risk as to damage to items moved and injury to persons or public engaged or not engaged in such movement, including equipment, property, and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for Tenant from time of entering property to completion of work; and Landlord shall not be liable for acts of any person engaged in, or any damage or loss to any of said property or persons resulting from, any act in connection with such service performed for Tenant. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as the Building shall reasonably require.

- 19. No signs, advertisements or notices shall be painted or affixed on or to any windows or doors, or other parts of the Property, except of such color, size and style and in such places, as shall be first approved in writing by Landlord and in compliance with all local ordinances governing such items.
- 20. In the event Tenant requires the disposal of foodstuffs, edible matter, or any materials attractive to pests or vermin, Tenant shall provide at its sole cost and expense a vermin-proof receptacle for the disposal of such materials, and take active measure to control pests and vermin. No Tenant shall cause or permit any unusual or objectionable odors to be produced upon or permeate from the leased Premises.
- 21. The Landlord desires to maintain the highest standards of environmental comfort and convenience for all Tenants. It will be appreciated if any undesirable conditions or lack of courtesy or attention are reported directly to the Landlord. Tenant shall give immediate notice to the Landlord in case of accidents in the Premises or in the common areas or of defects therein or in any fixtures or equipment, or of any known emergency on the Property.
- 22. Tenant shall not make, or permit to be made, (except for fire and burglar alarms) any unseemly, excessively loud, or disturbing noises, or interfere with occupants of this or neighboring buildings or premises, or those having business with them.
- 23. Landlord shall have the right to make such other and further reasonable rules and regulations as in the judgment of Landlord may from time to time be needful for the safety, appearance, care and cleanliness of the Building and the Land, and for the preservation of good order therein. Landlord shall not be responsible to Tenant for any violations of rules and regulations by other Tenants.
- 24. All Tenants shall adhere to and obey all such parking control measures as may be placed into effect by the Landlord through the use of signs, identifying decals or other instructions. No vehicles of any kind shall be brought into or kept on the Premises except in designated areas specified for parking of such vehicles.


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EXHIBIT B: AMORTIZATION SCHEDULE

See Attached

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LOAN AMORTIZATION SCHEDULE

ENTER VALUES

Loan amount	\$70,000.00
Annual interest rate	5.00%
Loan period in years	3
Number of payments per year	12
Start date of loan	11/1/2018

Optional extra payments

LOAN SUMMARY

Scheduled payment	\$2,097.96
Scheduled number of payments	36
Actual number of payments	36
Total early payments	\$0.00
Total interest	\$5,526.66

LENDER NAME Keystone Real Estate Group

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	11/1/2018	\$70,000.00	\$2,097.96	\$0.00	\$2,097.96	\$1,806.30	\$291.67	\$68,193.70	\$291.67
2	12/1/2018	\$68,193.70	\$2,097.96	\$0.00	\$2,097.96	\$1,813.82	\$284.14	\$66,379.88	\$575.81
3	1/1/2019	\$66,379.88	\$2,097.96	\$0.00	\$2,097.96	\$1,821.38	\$276.58	\$64,558.50	\$852.39
4	2/1/2019	\$64,558.50	\$2,097.96	\$0.00	\$2,097.96	\$1,828.97	\$268.99	\$62,729.53	\$1,121.38
5	3/1/2019	\$62,729.53	\$2,097.96	\$0.00	\$2,097.96	\$1,836.59	\$261.37	\$60,892.94	\$1,382.76
6	4/1/2019	\$60,892.94	\$2,097.96	\$0.00	\$2,097.96	\$1,844.24	\$253.72	\$59,048.70	\$1,636.48
7	5/1/2019	\$59,048.70	\$2,097.96	\$0.00	\$2,097.96	\$1,851.93	\$246.04	\$57,196.77	\$1,882.51
8	6/1/2019	\$57,196.77	\$2,097.96	\$0.00	\$2,097.96	\$1,859.64	\$238.32	\$55,337.13	\$2,120.83
9	7/1/2019	\$55,337.13	\$2,097.96	\$0.00	\$2,097.96	\$1,867.39	\$230.57	\$53,469.74	\$2,351.40
10	8/1/2019	\$53,469.74	\$2,097.96	\$0.00	\$2,097.96	\$1,875.17	\$222.79	\$51,594.57	\$2,574.20
11	9/1/2019	\$51,594.57	\$2,097.96	\$0.00	\$2,097.96	\$1,882.99	\$214.98	\$49,711.58	\$2,789.17
12	10/1/2019	\$49,711.58	\$2,097.96	\$0.00	\$2,097.96	\$1,890.83	\$207.13	\$47,820.75	\$2,996.30
13	11/1/2019	\$47,820.75	\$2,097.96	\$0.00	\$2,097.96	\$1,898.71	\$199.25	\$45,922.04	\$3,195.56
14	12/1/2019	\$45,922.04	\$2,097.96	\$0.00	\$2,097.96	\$1,906.62	\$191.34	\$44,015.42	\$3,386.90
15	1/1/2020	\$44,015.42	\$2,097.96	\$0.00	\$2,097.96	\$1,914.57	\$183.40	\$42,100.85	\$3,570.30
16	2/1/2020	\$42,100.85	\$2,097.96	\$0.00	\$2,097.96	\$1,922.54	\$175.42	\$40,178.31	\$3,745.72
17	3/1/2020	\$40,178.31	\$2,097.96	\$0.00	\$2,097.96	\$1,930.55	\$167.41	\$38,247.76	\$3,913.13
18	4/1/2020	\$38,247.76	\$2,097.96	\$0.00	\$2,097.96	\$1,938.60	\$159.37	\$36,309.16	\$4,072.49
19	5/1/2020	\$36,309.16	\$2,097.96	\$0.00	\$2,097.96	\$1,946.67	\$151.29	\$34,362.49	\$4,223.78
20	6/1/2020	\$34,362.49	\$2,097.96	\$0.00	\$2,097.96	\$1,954.79	\$143.18	\$32,407.70	\$4,366.96
21	7/1/2020	\$32,407.70	\$2,097.96	\$0.00	\$2,097.96	\$1,962.93	\$135.03	\$30,444.77	\$4,501.99
22	8/1/2020	\$30,444.77	\$2,097.96	\$0.00	\$2,097.96	\$1,971.11	\$126.85	\$28,473.66	\$4,628.84
23	9/1/2020	\$28,473.66	\$2,097.96	\$0.00	\$2,097.96	\$1,979.32	\$118.64	\$26,494.34	\$4,747.48
24	10/1/2020	\$26,494.34	\$2,097.96	\$0.00	\$2,097.96	\$1,987.57	\$110.39	\$24,506.77	\$4,857.88
25	11/1/2020	\$24,506.77	\$2,097.96	\$0.00	\$2,097.96	\$1,995.85	\$102.11	\$22,510.92	\$4,959.99
26	12/1/2020	\$22,510.92	\$2,097.96	\$0.00	\$2,097.96	\$2,004.17	\$93.80	\$20,506.75	\$5,053.78
27	1/1/2021	\$20,506.75	\$2,097.96	\$0.00	\$2,097.96	\$2,012.52	\$85.44	\$18,494.23	\$5,139.23
28	2/1/2021	\$18,494.23	\$2,097.96	\$0.00	\$2,097.96	\$2,020.90	\$77.06	\$16,473.33	\$5,216.29
29	3/1/2021	\$16,473.33	\$2,097.96	\$0.00	\$2,097.96	\$2,029.32	\$68.64	\$14,444.01	\$5,284.93
30	4/1/2021	\$14,444.01	\$2,097.96	\$0.00	\$2,097.96	\$2,037.78	\$60.18	\$12,406.23	\$5,345.11
31	5/1/2021	\$12,406.23	\$2,097.96	\$0.00	\$2,097.96	\$2,046.27	\$51.69	\$10,359.96	\$5,396.80
32	6/1/2021	\$10,359.96	\$2,097.96	\$0.00	\$2,097.96	\$2,054.80	\$43.17	\$8,305.16	\$5,439.97
33	7/1/2021	\$8,305.16	\$2,097.96	\$0.00	\$2,097.96	\$2,063.36	\$34.60	\$6,241.80	\$5,474.57
34	8/1/2021	\$6,241.80	\$2,097.96	\$0.00	\$2,097.96	\$2,071.96	\$26.01	\$4,169.85	\$5,500.58
35	9/1/2021	\$4,169.85	\$2,097.96	\$0.00	\$2,097.96	\$2,080.59	\$17.37	\$2,089.26	\$5,517.96
36	10/1/2021	\$2,089.26	\$2,097.96	\$0.00	\$2,089.26	\$2,080.55	\$8.71	\$0.00	\$5,526.66

EXECUTION COPY

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LEASE AGREEMENT

BETWEEN

THE PENNSYLVANIA CYBER CHARTER SCHOOL,
a Pennsylvania non-profit corporation
(d/b/a PA Cyber)

AND

2600 BRIXMASTER, L.P.,
a Pennsylvania limited partnership

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SUMMARY
(For reference only, not part of the Lease*)

Section No.

- 1.1 Demised Premises: Approximately 3,337 rentable square feet of space located at 2600 East Carson Street, Pittsburgh, Pennsylvania 15203 (see Exhibit A).
- 1.3 Pro Rata Share: 4.054% (3,337 r.s.f. / 82,312 r.s.f.)
- 2.1 Delivery Date: The date upon which the Tenant Improvements have been Substantially Completed. The target Delivery Date is August 1, 2015.
- 3.1 Rent Commencement Date: The term of this Lease shall commence on August 1, 2015 (the "Rent Commencement Date"). For the sake of clarity, if the Delivery Date occurs prior to August 1, 2015, Tenant may occupy the Demised Premises, free of Base Rent but otherwise subject to all terms set forth in this Lease, from such Delivery Date until August 1, 2015.

Term: Five (5) years, beginning on the Rent Commencement Date.

4.1 Annual Base Rent/Base Rent:

<u>Lease Year</u>	<u>Price/Sq. Ft.</u>	<u>Rentable Sq. Ft.</u>	<u>Annual Base Rent</u>	<u>Monthly Base Rent</u>
1	\$38.00	3,337	\$126,806.00	\$10,567.17
2	\$39.14	3,337	\$130,610.18	\$10,884.18
3	\$40.31	3,337	\$134,514.47	\$11,209.54
4	\$41.52	3,337	\$138,552.24	\$11,546.02
5	\$42.77	3,337	\$142,723.49	\$11,893.62

- 4.3 Security Deposit: \$10,567.17.
- 6.3 Landlord's Insurance: Tenant pays its Pro Rata Share of Landlord's Insurance.
- Operating Expenses: Tenant pays its Pro Rata Share of Landlord's Operating Expenses.
- 7.1 Real Estate Tax Expenses: Tenant pays its Pro Rata Share of Real Estate Tax Expenses.
- 8.1 Business Name: PA Cyber
- Business Purpose: Operation as primary administrative offices for PA Cyber, in addition to educational support which is consistent with operations of all other PA Cyber locations.
- 23.18 Parking: Subject to the terms of Section 23.18 below, Tenant shall have the right to lease up to three (3) outdoor parking spaces in a designated rear parking lot of the Building, subject to the Rules and Regulations and on a non-exclusive, unreserved basis, at the monthly charge of \$75.00 per space during the initial Term, such amount to be paid by Tenant to Landlord as Additional Rent at the times and in the manner set forth for the payment of Base Rent.

*Note: If there is any difference between this summary and the Lease, the Lease shall control.

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made as of this 17 day of March, 2015, between 2600 BRIXMASTER, L.P., a Pennsylvania limited partnership having its principal offices at 750 Holiday Drive, Suite 570, Pittsburgh, Pennsylvania 15220 ("Landlord") and THE PENNSYLVANIA CYBER CHARTER SCHOOL, a Pennsylvania non-profit corporation doing business as "PA Cyber" and having its principal offices at 652 Midland Avenue, Midland, Pennsylvania 15059 ("Tenant").

ARTICLE I DEMISED PREMISES

Section 1.1. The Demised Premises. Landlord hereby leases to Tenant and Tenant hereby rents from Landlord approximately 3,337 rentable square feet of space, known as the "Demised Premises", located at 2600 East Carson Street, Pittsburgh, Pennsylvania 15203, as depicted on the proposed site plan, attached hereto as Exhibit A, together with the non-exclusive right to use, in common with others, the Common Areas, as such term is defined in Section 6.1 hereof. The proposed site plan attached as Exhibit A shall not be deemed a representation, warranty or agreement on the part of Landlord that the measured dimensions of the Demised Premises are exactly as depicted on the diagram. The parties acknowledge that the building in which the Demised Premises are located (the "Building") is a mixed-use development consisting of retail and residential uses. It is understood that the stated rentable square footage will be modified as per final Landlord's architects' measurements of the occupied space per BOMA standards.

Section 1.2. Limitation on Extent of Demised Premises. Tenant shall receive by virtue of this Lease only the rights and privileges herein specifically granted and/or leased unto Tenant, and Landlord specifically excepts and reserves unto itself, without limiting the generality of the foregoing, at any time during the Term: (a) the exclusive use of the roof, (including the right to construct additional stories if Landlord so elects), exterior walls and the area above, below and around the Demised Premises; (b) the right to place in, over, through and upon the Demised Premises utility lines, pipes, duct work, and any other installations, to serve premises other than the Demised Premises, and to replace, maintain and repair such utility lines, cables, pipes, duct work, and installations, provided that any damage to the Demised Premises resulting from such activities shall be promptly repaired at Landlord's expense; *provided, however*, that such placement, maintenance and/or repair shall not unreasonably interfere with Tenant's business activities in the Demised Premises; (c) the right to increase, reduce or change the number, dimensions or locations of the walks, corridors and other common facilities (in any manner whatsoever) as Landlord shall deem proper, provided such modifications do not materially interfere with Tenant's use of the Demised Premises; and (d) except as otherwise specifically provided herein, the right to make any alterations, additions or design changes whatsoever to the Building. Landlord agrees that it shall provide at least sixty (60) days' advanced written notice to Tenant in the event that any such modification to the Building would result in a material and adverse effect to Tenant's business activities at the Demised Premises, and further, Landlord shall make its representatives and contractors available to meet with Tenant's representatives to review any such proposed modification prior to commencing such modification.

Section 1.3. Pro Rata Share. The phrase Tenant's "Pro Rata Share", when used with respect to any expense, contribution or other amount, shall mean that proportion of the whole of such expense, contribution or amount specifically allocated to Tenant by the relevant portion of this Lease.

Tenant's Pro Rata Share shall be 4.054%, determined by a fraction of which the numerator is the area of the Demised Premises (which is presently estimated to be 3,337 rentable square feet) and the denominator is the total floor area of total commercial/retail rentable area which is 82,312 rentable square feet. Tenant's Pro Rata Share may decrease or increase during Tenant's occupancy of the Demised Premises

based on Landlord's re-determination of Tenant's Pro Rata Share from time to time to reflect reconfigurations, additions or modifications to Common Areas.

ARTICLE II CONDITION OF DEMISED PREMISES

Section 2.1 As-Is. Subject to the Tenant Improvements set forth on Exhibit B attached hereto, the Demised Premises shall be leased by Tenant in "as-is" condition without any representations, warranties, improvements or alterations by Landlord. Except as otherwise specifically set forth herein, all of Tenant's obligations under this Lease shall commence on the Delivery Date.

Section 2.2 Tenant Improvements.

(a) As soon as reasonably practicable after the date of this Lease, Landlord shall commence and complete the work set forth on Exhibit B at its sole cost and expense (collectively, the "Tenant Improvements"), and take all other actions set forth herein related to the Tenant Improvements at its sole cost and expense. Landlord shall obtain all necessary governmental approvals and permits for the construction of the Tenant Improvements at its sole cost and expense (except to the extent same are necessitated by any Tenant-requested changes to the Approved Tenant's Plans, as defined below). Landlord and Tenant (and their respective architects) shall work together to develop a detailed set of plans for the Tenant Improvements (the "Approved Tenant's Plans") promptly after execution of this Lease. In the event that changes to the Approved Tenant's Plans are necessary to conform to the zoning approval for the use by Tenant of the Demised Premises (the "Zoning Changes"), Landlord shall amend the Approved Tenant's Plans in accordance with the Zoning Changes, and upon such amendment, those plans shall constitute the Approved Tenant's Plans. Landlord shall submit the Approved Tenant's Plans to the City of Pittsburgh for permit promptly after finalizing the Approved Tenant Plans. Promptly after the submittal of the Approved Tenant's Plans, Landlord shall provide complete construction drawings for the Tenant Improvements. The Tenant Improvements shall be constructed in accordance with the Approved Tenant's Plans and construction drawings, and all changes to the Approved Tenant's Plans requested by Tenant must be approved by Landlord in writing in advance of the implementation of such changes. To the extent any such Tenant-requested changes shall increase Landlord's cost of constructing the Tenant Improvements, such costs shall be borne exclusively by Tenant.

(b) As used herein, "Substantially Completed" shall mean when: (i) the Tenant Improvements have been completed in accordance with the Approved Tenant's Plans, subject to any Punch List Work (as defined below); (ii) the Tenant Improvements have been completed in accordance with all applicable Federal, State and Local governmental laws, statutes, ordinances, rules, regulations, as amended from time to time ("Applicable Laws") and a certificate of occupancy has been issued; and (iii) Tenant may occupy the Demised Premises for installing furnishings and equipment, subject to any Punch List Work. The term "Punch List Work" shall mean minor or insubstantial details of construction, decoration or mechanical adjustment, the lack of which will not interfere with Tenant's Permitted Use.

(c) Promptly after the date upon which the Tenant Improvements have been Substantially Completed, Tenant shall execute a Delivery Date Memorandum, substantially in the form of Exhibit C attached hereto, and deliver same to Landlord.

(d) Landlord shall be responsible for all Tenant-specific modifications to the Building's systems and services set forth on the Approved Tenant's Plans, such as customary electrical distribution within the Demised Premises, moving or adding of water lines within the Demised Premises as

needed for restrooms or other purposes, heating, ventilation and air conditioning ("HVAC") distribution throughout the Demised Premises and Demised Premises-specific life safety equipment modifications.

**ARTICLE III
TERM; EXTENSION**

Section 3.1. Term. The term of this Lease (the "Term") shall commence on August 1, 2015 (the "Rent Commencement Date"). The Term shall expire on July 31, 2020 (the "Expiration Date"). For the sake of clarity, if the Delivery Date occurs prior to August 1, 2015, Tenant may occupy the Demised Premises, free of Base Rent but otherwise subject to all terms set forth in this Lease, from such Delivery Date until August 1, 2015.

Section 3.2 Renewal Option.

(a) Exercise of Option. Provided that Tenant is not in default pursuant to any of the terms or conditions of this Lease, Tenant shall have the option (the "Option") to renew this Lease for one (1) additional five (5) year period (the "Option Period") for the period commencing on the date following the Expiration Date upon the terms and conditions contained in this Lease, except as otherwise provided in this Section 3.2. To exercise the Option, Tenant shall give Landlord written notice of its intent to exercise said Option not less than twelve (12) months prior to the date on which the Option Period which is the subject of the notice will commence (the "Extension Notice"). The Extension Notice shall be provided in accordance with Section 21.1 hereof. In the event that Tenant exercises its Option, this Lease will terminate in its entirety at the end of the Option Period and Tenant will have no further option to renew or extend the Term of this Lease.

(b) Determination of Base Rent. The Base Rent for the Option Period shall be determined as follows:

(i) Landlord and Tenant will have sixty (60) days after Landlord receives the Extension Notice within which to agree on the fair market rental value of the Demised Premises as of the commencement date of the Option Period, as defined in subsection (ii) below. If they agree on the Base Rent within sixty (60) days, they will amend this Lease by stating the Base Rent.

(ii) If Landlord and Tenant are unable to agree on the Base Rent for the Option Period within sixty (60) days, Tenant may either forego exercise of the Option, or elect to exercise the Option with the Base Rent for the Option Period being equal to the lesser of (i) the fair market rental value of the Demised Premises as of the commencement date of the Option Period as determined in accordance with subsection (iii) hereof, and (ii) two percent (2.00%) more than the highest Base Rent set forth in the Lease Summary above, plus Additional Rent. As used in this Lease, the "fair market rental value of the Demised Premises" means what a landlord under no compulsion to lease the Demised Premises, and a tenant under no compulsion to lease the Demised Premises, would determine as base rent (including initial monthly rent and rental increases) for the Option Period, as of the commencement of the Option Period, taking into consideration the uses permitted under this Lease, the quality, size, design and location of the Demised Premises, and the rent for comparable buildings located in Pittsburgh, Pennsylvania.

(iii) Within thirty (30) days after the expiration of the 60-day period set forth in subparagraph (ii) above, Landlord and Tenant shall each appoint one licensed real estate appraiser, and the two appraisers so appointed shall jointly attempt to determine and agree upon the then fair market rental value of the Demised Premises. If they are unable to agree, then each appraiser so appointed shall set one value, and notify the other appraiser, of the value set by him or her, concurrently with such appraiser's

receipt of the value set by the other appraiser. The two appraisers then shall, together, select a third licensed appraiser, who shall make a determination of the then fair market rental value, after reviewing the reports of the first two appraisers appointed by the parties, and after doing such independent research as he/she deems appropriate. The value determined by the third appraiser shall be the then fair market rental value of the Demised Premises. Landlord and Tenant shall be responsible for the cost of the appraiser each appoints and shall share equally in the cost of the third appraiser, if applicable.

ARTICLE IV ANNUAL BASE RENT AND SECURITY DEPOSIT

Section 4.1. Annual Base Rent; Lease Year Defined. Tenant covenants and agrees to pay to Landlord yearly minimum rent on the Demised Premises for each Lease Year (as defined below) of the Term of this Lease (the "Annual Base Rent" or the "Base Rent") in accordance with the schedule set forth in the Summary above, beginning on the Rent Commencement Date. "Lease Year" shall mean each successive twelve (12) month period during the Term, beginning on the Rent Commencement Date and concluding the last day of the twelfth (12th) consecutive calendar month thereafter.

Section 4.2. Payment of Annual Base Rent. Annual Base Rent shall be payable in equal monthly installments as set forth in Section 4.1 above and shall be due in advance without notice or demand and without setoff or deduction. Each monthly installment of Annual Base Rent shall be due on the first day of each calendar month during the Term. In the event that the final Lease Year of the Term does not consist of twelve (12) complete calendar months, the Annual Base Rent shall be adjusted for such Lease Year by multiplying the Annual Base Rent by that fraction whose numerator is the number of days in said Lease Year and whose denominator is 365. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of Base Rent to be applied toward the first payment of Base Rent due in accordance with the schedule set forth in the Summary above.

Section 4.3. Security Deposit. Concurrently with Tenant's execution of the Lease, Tenant shall deposit with Landlord a security deposit in the amount of Ten Thousand Five Hundred Sixty Seven and 17/100 Dollars (\$10,567.17) (the "Security Deposit") as security for the full and faithful performance of each and every term, covenant and condition of this Lease. Landlord may use, apply or retain the whole or any part of the Security Deposit as may be reasonably necessary (a) to remedy any default by Tenant under this Lease, (b) to repair damage to the Demised Premises caused by Tenant, (c) to perform Tenant's obligations under the Lease, in the event Tenant fails to do so, (d) to reimburse Landlord for the payment of any amount which Landlord may reasonably spend or be required to spend by reason of a default by Tenant, and (e) to compensate Landlord for any other loss or damage which Landlord may suffer by reason of a default by Tenant. Should Tenant faithfully and fully comply with all of the terms, covenants and conditions of this Lease, within thirty (30) days following the expiration of the Term, the Security Deposit or any balance thereof shall be returned to Tenant or, at the option of Landlord, to the last assignee of Tenant's interest in this Lease. Landlord shall not be required to keep the Security Deposit separate from its general funds and Tenant shall not be entitled to any interest on such deposit. If Landlord so uses or applies all or any portion of said deposit, within five (5) days after written demand therefor Tenant shall deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the full extent of the above amount, and Tenant's failure to do so shall be a default under this Lease. In the event Landlord transfers its interest in this Lease, Landlord shall transfer the then remaining amount of the Security Deposit to Landlord's successor in interest, and thereafter Landlord shall have no further liability to Tenant with respect to such Security Deposit. In the event that the Security Deposit is applied by Landlord for any purpose, Landlord shall provide written documentation to Tenant substantiating any such application.

**ARTICLE V
ADDITIONAL RENT AND PAYMENT OF RENT**

Section 5.1. Additional Rent. Tenant shall pay, as Additional Rent, its Pro Rata Share of Landlord's Insurance, Real Estate Tax Expenses and Operating Expenses.

Section 5.2. No Offset. The term "Additional Rent" shall include any sums owed by Tenant to Landlord hereunder. Additional Rent and Annual Base Rent shall hereinafter be referred to collectively as "Rent". All Rent shall be paid without counterclaim, setoff, deduction or defense. In no event shall excess payments of Additional Rent by Tenant be applied or offset against the Annual Base Rent due or payable by Tenant hereunder unless Landlord so determines.

Section 5.3. Place of Payment. Annual Base Rent, Additional Rent, and all other charges that Tenant is required to pay to Landlord shall be payable without notice or demand at the address given in Section 21.1 for notice to Landlord or to any other place designated by notice given by Landlord to Tenant. Tenant shall pay any charge required to be paid hereunder, the time and manner of payment of which is not specifically provided herein, within thirty (30) days following receipt of a bill from Landlord.

**ARTICLE VI
COMMON AREAS AND OPERATING EXPENSES**

Section 6.1. Definition of Common Areas. The "Common Areas" shall be defined as all entrances and exits, exterior lighting, and all other areas and improvements located in the Building provided by Landlord for the common or joint use and benefit of tenants, their officers, agents, employees and customers, including, but not limited to, all delivery areas, corridors, stairways, rest rooms, and other public areas.

Section 6.2. Landlord's Rights with Respect to the Common Areas. Notwithstanding anything contained in this Lease to the contrary, Landlord shall have the following rights with respect to the Common Areas:

(a) Landlord may close all or any portion of the Common Areas to such extent as may be necessary to avoid the creation of any rights of the public in the Common Areas.

(b) Landlord may close all or any portion of the Common Areas to discourage non-customer use.

(c) Landlord may at any time increase, reduce, eliminate or change the number, dimensions or locations of the walks, driveways, entrances, corridors and other Common Areas as Landlord may deem proper and Landlord reserves the right to maintain, operate and police the Common Areas and to make alterations or additions to the Common Areas.

(d) Landlord may connect the Common Areas to other elements or additions to the Building and may grant the use thereof to tenants of other additions to the Building, or any other persons, at any time.

(e) Landlord shall have the right to reduce the Common Areas at any time in order to create additional retail space and to place carts, kiosks, counters and the like upon the Common Areas, at any time and in any location.

Such closure, discontinuance or use of any or all of the Common Areas by Landlord pursuant to the provisions of this Section (i) shall not entitle Tenant to a reduction in any Rent or to any other compensation or damages, and (ii) shall require Landlord to provide Tenant with at least sixty (60) days' advanced notice, unless such closure, discontinuance or use is necessitated by an emergency or otherwise urgent circumstances (as determined by Landlord in good faith, using its commercially reasonable judgment). Notwithstanding the foregoing, Landlord shall not unreasonably interfere with Tenant's use of the Demised Premises and shall not take actions which would materially and adversely impair access to or visibility of the Demised Premises or Tenant's signage.

Section 6.3. Maintenance and Cost of Common Areas and Related Facilities.

(a) Landlord shall maintain the Common Areas in the Building in repair pursuant to the provisions of Section 11.1.

(b) Landlord agrees to carry public liability insurance covering the Common Areas of the Building and casualty and property insurance in such amounts determined by Landlord, and Landlord, in its sole discretion, may obtain and maintain any other insurance policies in connection with the Building, including, without limitation, insurance covering loss of rents ("Landlord's Insurance"). Tenant shall pay to Landlord, as Additional Rent beginning on the Delivery Date and during each month of each Lease Year thereafter, its Pro Rata Share of Landlord's Insurance costs. Payment of Landlord's Insurance shall be in accordance with Section 6.4 below.

(c) As used herein, the term "Operating Expenses" shall mean that part of any and all expenses incurred by Landlord in connection with its ownership, maintenance and operation of the Building, all determined in accordance with sound accounting and management principles on an accrual basis, excluding Real Estate Taxes, interest or amortization payments on any mortgage, legal expenses in enforcing the terms of any lease other than this Lease, expenses for repair and other work occasioned by fire or other casualty to the extent such expenses shall have been reimbursed under Landlord's fire policy or policies, expenses incurred in the leasing or procuring of new tenants, including lease commissions, expenses for renting space for new tenants, depreciation, as the term is described in the Internal Revenue Code; but including, to the extent that such expenses which follow directly benefit the Demised Premises, without limitation, costs of all public liability and property damage and other insurance maintained by Landlord with respect to the Building, all labor costs, management fees, service contracts and supplies used in connection with the operating, labor and maintenance of the Building, all repairs and replacements (including cost of supplies, tools, materials and equipment in connection therewith), common area maintenance and ground maintenance, building equipment purchases and maintenance, the cost of the operation of any Building management office, legal and accounting expenses in connection with operations, all charges for the entire building (including leasable portions as well as non-leasable portions) for electricity, steam, oil, gas (or other fuel) and water (including sewer rentals and including any taxes on such utilities), charges related to the maintenance of the HVAC system serving the Demised Premises or the Building, license, permit and inspection fees, sales, use and excise taxes on goods and services purchased or provided by Landlord to manage, operate, maintain and repair the Building, and such other costs and expenses which Landlord may incur in connection with the operation, maintenance and repair of the Building. In connection with the computation of labor charges and management fees, such charges shall include salary, wages, medical, surgical and general welfare benefits, including group life insurance and pension payments to employees of Landlord, or its building management agent, payroll taxes, uniforms, dry cleaning and other charges that may be payable by Landlord for the employees of the Building. "Operating Expenses" shall also include the cost of any capital improvements made more than one year subsequent to the occupancy of the Building by the first tenant, the primary purpose of which is to reduce operating expenses, or which may be required by governmental authority under any governmental law or regulation that was not applicable to the Building at the time it was constructed, which cost shall be

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amortized over such reasonable period as Landlord shall determine, together with interest on the unamortized balance at the rate per annum which is the greater of ten percent (10%) or such higher rate as may have been paid by Landlord on funds borrowed for the purpose of constructing such capital improvements, *provided, however*, that such rate shall not exceed the maximum rate provided by law. Payment of the Operating Expenses shall be in accordance with Section 6.4 herein.

Tenant shall pay to Landlord its Pro Rata Share of Operating Expenses. If the first and/or last years of the Term shall not be full calendar years, then Tenant's obligation for Operating Expenses attributable to such years shall be prorated, based on the number of days in such year contained within the Term. There will be no gross up of the Operating Expenses. Landlord shall take all prudent and reasonable steps necessary so as to minimize the Operating Expenses over the Term.

(d) Landlord has the right, but not the obligation, to enter into and maintain a contract with a pest and vermin eradication and control contractor, satisfactory to Landlord, to provide for periodic inspection of the Building, and such services as may be necessary to keep the Building free of vermin.

(e) In the event that any tenant's or group of tenants' use of their demised premises, whether or not permitted by this Lease, shall cause additional or unusual expense by Landlord in operating and maintaining the Building (for example, without limitation, additional security, maintenance, utility, energy, or insurance costs) or any tenant or group of tenants derive special benefit from the operation of the Building, Landlord shall have the right, but shall not be obligated, to allocate such costs to such tenant or group of tenants. To the extent that Tenant or any of its employees, contractors or agents cause any such additional or unusual expense, Tenant shall be responsible for the reimbursement of such expenses within ten (10) days of the receipt by Tenant of the bill therefor from Landlord. Landlord shall notify Tenant in writing of any such claim within thirty (30) days of Landlord's discovery of such event and Landlord and Tenant will seek to mitigate such expenses. If Tenant disagrees with Landlord's determination of such additional or unusual expense, the parties shall resolve such matters pursuant to the Dispute Resolution provisions of Section 15.14 herein.

Section 6.4. Payment of Landlord's Insurance, Operating Expenses, Real Estate Tax Expenses, and other Additional Rent.

(a) Landlord shall endeavor to furnish to Tenant, on or before the 90th day of each Lease Year, a statement, in reasonable detail, of Landlord's Insurance, Operating Expenses, Real Estate Tax Expenses and other Additional Rent ("Tenant's Expense Payments") for the immediately preceding Lease Year. If such statement shows that the sums paid by Tenant were (i) less than Tenant's Expense Payments for such Lease Year, Tenant shall pay the amount of such deficiency within thirty (30) days after delivery of such statement to Tenant or (ii) exceeded the actual amount of Tenant's Expense Payment for such Comparison Year, Landlord shall credit the amount of such excess against subsequent payments of Base Rent, provided that no Event of Default has occurred and is continuing.

(b) Landlord's failure to deliver any statement of Tenant's Expense Payments on a timely basis with respect to any Lease Year shall not prejudice Landlord's right to thereafter render such a statement with respect to such Lease Year or any subsequent Lease Year, nor shall the rendering of any such statement prejudice Landlord's right to thereafter deliver a correct statement for that Lease.

(c) Tenant's obligations under this Article are in addition to any utility charges which are separately metered and billed directly to Tenant, as set forth in Article X, including but not limited to electricity for the Demised Premises, which charges shall be paid directly by Tenant to the person or entity providing such utilities.

**ARTICLE VII
TAXES**

Section 7.1. Real Estate Tax Expenses.

(a) Tenant shall pay to Landlord, as Additional Rent beginning on the Delivery Date and during each month of each Lease Year thereafter, its Pro Rata Share of Real Estate Tax Expenses within thirty (30) days after notice from Landlord. If the first and/or last years of the Term shall not be full calendar years, then Tenant's obligation for Real Estate Tax Expenses attributable to such years shall be grossed up for the entire calendar year and prorated, based on the number of days in such year contained within the Term. "Real Estate Tax Expenses" is defined for purposes of this Lease to include all real estate taxes and assessments both general and special imposed by federal, state or local governmental authority or any other taxing authority having jurisdiction over the Building, together with any and all reasonable expenses incurred by Landlord in negotiating, appealing or contesting such taxes and assessments.

(b) Tenant's Pro Rata Share of Real Estate Tax Expenses shall be paid in accordance with Section 6.4 herein.

(c) Should any governmental taxing authority acting under any present or future law, ordinance or regulation, levy, assess or impose a tax, excise and/or assessment (other than an income or franchise tax) upon or against the Base Rent and/or Additional Rent payable by Tenant to Landlord, either by way of substitution for or in addition to any existing tax on land and buildings or otherwise, or any other substitute tax, the proceeds of which are used to fund the same governmental functions as were funded by ad valorem taxes, Tenant shall be responsible for and shall pay such tax, excise and/or assessment, or shall reimburse Landlord for the amount thereof, or Tenant's Pro Rata Share thereof, as the case may be, as Additional Rent, on or before the date that any fine, penalty or interest would be added thereto for nonpayment.

(d) If this Lease terminates (other than by reason of Tenant's default) during a tax year, Tenant's obligation for Real Estate Tax Expenses with respect thereto shall be apportioned based on the number of days in the tax year that this Lease is in full force.

Section 7.2. Real Estate Tax Appeals.

(a) In the event Landlord is currently engaged in or if, during the Term, Landlord becomes engaged in a judicial appeal(s) or contest(s) of taxes and/or tax assessments on the Building, the land, the buildings and/or any or all other improvements within the Building with the possible result of such appeal or contest being the imposition of retroactive taxes for any year(s) falling within the Term, which Tenant is obligated to pay its Pro Rata Share of under the terms of this Lease, then Landlord shall have the right to create an escrow fund to cover such retroactive tax liability by assessing Tenant its Pro Rata Share of such potential retroactive tax liability, in an amount which shall be reasonably estimated by Landlord.

(b) Tenant's Pro Rata Share, as above defined, shall be deposited with Landlord within thirty (30) days after demand therefor and shall be deposited by Landlord in an interest bearing escrow account of an institution regulated by the Federal Reserve Board, the Federal Home Loan Bank Board, Comptroller of the Currency or the Pennsylvania Department of Banking.

(c) When such funds are deposited in any such interest bearing escrow account, Landlord shall thereupon notify in writing each of the tenants making any such deposits, giving the name and address of the banking institution in which such deposits are held, and the amount of such deposits.

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The interest earned on such escrow account shall be the money of the tenants making such deposits and will be paid to such tenants annually.

(d) The amounts deposited in said escrow account shall be retained therein until such time as said judicial appeal(s) or contest(s) of taxes and/or tax assessments are finally resolved by a court of competent jurisdiction and the amount of retroactive taxes due, if any, is finally determined, and Landlord becomes obligated to pay such retroactive tax liability. Such retroactive tax liability so determined shall be then paid by Landlord, utilizing, to the extent available, the monies deposited in such retroactive tax liability escrow account.

(e) In the event Landlord has overestimated Tenant's Pro Rata Share of the finally determined retroactive tax liability and Tenant has paid in excess of its actual Pro Rata Share, Tenant shall be paid the amount of such excess within thirty (30) days after such final determination. In the event Landlord has underestimated Tenant's Pro Rata Share of the finally determined retroactive tax liability, and the amounts deposited by Tenant into the tax escrow account are less than Tenant's actual Pro Rata Share of such retroactive tax liability, Landlord shall notify Tenant of the amount of such deficiency and Tenant shall pay such amount to Landlord within thirty (30) days thereafter, as Additional Rent.

**ARTICLE VIII
USE OF DEMISED PREMISES**

Section 8.1. Use and Name. Tenant agrees that the Demised Premises, during the Term hereof, shall be used and occupied by Tenant solely for the operation of the primary administrative offices for PA Cyber, in addition to educational support which is consistent with operations of all other PA Cyber administrative locations (the "Permitted Use"). Tenant shall observe and comply with all Applicable Laws and the Rules and Regulations. Tenant shall at all times operate its business in the Demised Premises solely under the name "PA Cyber".

Section 8.2. Duty of Operation. Tenant shall operate the Demised Premises during the entire Term and any extensions thereof with due diligence, efficiency and as a first class operation. Tenant further will conduct its business during regular Business Hours; "Business Hours" shall mean the normal business hours of 7:00 a.m. to 9:00 p.m. Tenant acknowledges that Tenant's agreement to comply with the terms of this provision is a material inducement to Landlord's agreement to enter into this Lease. Notwithstanding the foregoing, Tenant shall be permitted to operate later than 6:00 p.m. as long as (i) Tenant has obtained Landlord's prior approval for such operations outside of normal Business Hours, and (ii) such operation does not interfere with any residential tenant or commercial tenant of the Building's use and enjoyment of the Building.

Section 8.3. Operations.

(a) Common Area and Exterior Lighting. For the purpose of providing a uniform lighting system for the Common Areas and the exterior of the Building, Landlord shall have the right to approve of lighting fixtures and elements in all windows of the Demised Premises facing the exterior of the Building.

(b) Keeping Demised Premises Clean. Tenant shall keep the Demised Premises (including accessible exterior and interior portions of all windows, doors and all other glass) in a neat and clean condition to the satisfaction of Landlord. Tenant shall promptly remove rubbish from the Demised Premises using a contracted service or its own employees. Tenant shall not permit any of such rubbish to be placed outside, shall keep such area in a neat and clean condition to the sole satisfaction of Landlord,

and shall comply with all Applicable Laws pertaining to rubbish disposal. If Tenant shall fail to maintain and clean the Demised Premises as required herein, Landlord shall have the right, but shall not be obligated, to enter the Demised Premises and perform any maintenance or cleaning work deemed necessary by Landlord and Tenant shall reimburse Landlord for the cost of such work within thirty (30) days of demand. Tenant will contract and/or utilize its own employees to clean the Demised Premises as necessary.

(c) Paying Taxes. Tenant shall pay before delinquency any and all taxes, assessments and public charges levied, assessed or imposed upon Tenant's business or upon Tenant's fixtures, furnishings or equipment in the Demised Premises.

(d) Paying License Fees. Tenant shall pay when and as due all license fees, permit fees and charges of a similar nature for the conduct by Tenant or any subtenant, if permitted hereunder, of any business or undertaking authorized hereunder to be conducted in the Demised Premises.

(e) Rules and Regulations. Tenant shall observe all rules and regulations ("Rules and Regulations") established in Landlord's reasonable discretion from time to time for the Building, provided Tenant shall be given notice of any change thereof. A copy of said Rules and Regulations is attached hereto as Exhibit D and expressly incorporated herein.

Section 8.4. Restriction of Tenant's Activities.

(a) Tenant shall not use any display, or stock any merchandise, that is lewd, obscene, pornographic, vile, vulgar, profane, suggestive of the use of illegal drugs, or otherwise offensive, in the sole discretion of Landlord.

(b) Tenant shall receive and deliver goods, supplies and merchandise only in the manner, at such times, and in such areas, as may be designated by Landlord, and in this regard Tenant specifically agrees (i) not to use any loading areas designated exclusively for use by other tenants of the Building, (ii) to use Tenant's best efforts to complete or cause to be completed, all deliveries, loading, unloading and services to the Demised Premises after 9:00 a.m. each day and (iii) to abide by such further regulations as Landlord shall implement to regulate the activities of tenants of the Building with respect to deliveries to and servicing of the premises occupied by such tenants.

(c) Tenant shall not use or permit the use of any portion of the Demised Premises for any unlawful purpose, or use or permit the use of any portion of said Demised Premises as living quarters, sleeping apartments or lodging rooms.

(d) Tenant shall not perform any act or carry on any practice which may injure the Demised Premises or any other part of the Building, or cause any odors or noises, which, in the exclusive opinion of Landlord, constitute a nuisance, annoyance, or a menace to any other tenant or tenants or other persons in the Building.

(e) Tenant shall not use any portion of the Demised Premises for storage or other services except as is customary for its operations in the Demised Premises in accordance with the Permitted Use. In no event shall Tenant be permitted to install an automated teller machine on or about the Demised Premises without the prior written consent of Landlord.

(f) Tenant shall not display or sell merchandise or allow carts, signs, devices or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways or store front of the Demised Premises, and Tenant shall not solicit in any manner in any of the Common Areas of the Building.

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(g) Tenant shall not install, operate or maintain any heavy item of equipment in the Demised Premises without the express written permission of Landlord and then only in such manner as to achieve a proper distribution of weight.

(h) Tenant shall not, without Landlord's prior written consent, keep any substances designated as, or containing components designated as hazardous, dangerous, toxic, harmful or subject to regulation under any federal, state or municipal law, regulation or ordinance, on or around the Demised Premises or other areas of the Building. Tenant shall be solely and fully liable to Landlord for any and all cleanup costs and all other charges, fees, and fines relating to the use, release, disposal, sale, transportation or generation of hazardous substances in or about the Demised Premises or the Building; *provided, however*, that subject to Section 12.8 hereunder, Landlord will indemnify and hold Tenant harmless from and against any and all claims arising from the presence of hazardous substances in, on, under, or around the Building unless the same is caused, directly or indirectly by Tenant, its agents, servants, employees, contractors, licensees, invitees, visitors, or customers. The foregoing indemnity shall be limited to the lesser of (x) to Landlord's receipt of insurance proceeds under any policy of insurance Landlord maintains with respect to the Building and (y) the proceeds of any "Surplus Cash" (as defined in the applicable HUD Regulatory Agreement). Tenant shall (i) notify Landlord immediately in the event that there is a spill, leak or other release of any hazardous substance on or about the Demised Premises, (ii) comply with all Applicable Laws and direction from governmental agencies governing the release and (iii) perform the cleanup required in accordance with all applicable federal, state and local laws, regulations and cleanup standards.

(i) Tenant shall maintain the Demised Premises at its own expense in a clean, orderly and a sanitary condition and free of insects, rodents, vermin and other pests, and shall cause the Demised Premises to be treated against infestation by vermin, roaches or rodents whenever there shall be evidence of any infestation.

Section 8.5. Tenant Signs and Decorations. Tenant shall have the right, at its sole cost and expense, to install signage that complies with (a) the Historic Review Commission, (b) the National Parks Service and (c) Applicable Laws. Landlord shall have the right of prior written approval with respect to all improvements, signage, property and fixtures located in or about the Demised Premises. Without limiting or otherwise affecting the foregoing or any other provisions hereof, Tenant specifically covenants and agrees that Tenant shall not, without the prior written consent of Landlord: (i) install any lighting or awnings, or any signs, advertising matter, decoration or painting in or upon the exterior of the Demised Premises; (ii) install any drapes, blinds, shades or other coverings on windows and doors of the Demised Premises; (iii) affix any window or door lettering, sign decoration or advertising matter to any window or door glass of the Demised Premises; or (iv) erect or install any signs, window or door lettering, decorations or advertising media of any type.

If Tenant is permitted by Landlord to install any such signs or decoration, such installation shall be in compliance with all Applicable Laws, including, but not limited to the requirements of the Historic Review Commission and the National Parks Service. Landlord agrees to cooperate fully with Tenant in securing such approvals. Tenant shall keep all signs or decorations installed in or about the Demised Premises in good condition and in proper operating order at all times. In the event that Tenant's desired signage is attached to this Lease, Landlord makes no representation that such signage shall be permitted by Applicable Laws. Tenant shall be obligated to contact and work with a sign company for the preparation and installation of such sign(s) and to pay directly to the sign company any fees or other costs associated with such sign(s). Landlord, however, shall have the right of prior review and approval with respect to all signage. In addition, Landlord may require Tenant to remove any such signs or decorations installed by Tenant, and to repair any damage to the Demised Premises caused by such removal, all at Tenant's sole expense.

Section 8.6. Reference to the Building. Tenant shall refer to the Building as "The Brix at 26", located in the City of Pittsburgh, Pennsylvania, in designating the location of the Demised Premises in all newspaper and other advertising, stationery, other printed material and all other references to the location of the Demised Premises.

ARTICLE IX TENANT'S IMPROVEMENTS IN THE DEMISED PREMISES

Section 9.1. Tenant's Installations and Alterations. Tenant may not make any alterations, additions or improvements to the Demised Premises (collectively, "Tenant Alterations") without the prior written consent of Landlord. Tenant shall present to Landlord, along with its request for approval, plans and specifications for such Tenant Alterations in accordance with Landlord's design criteria at the time approval is sought, and shall reimburse Landlord for any expenses incurred by Landlord in accordance with Section 15.8 below. Any Tenant Alteration permitted by this Section 9.1 shall be performed in a good and workmanlike manner in accordance with all applicable legal requirements and all other requirements of this Lease, including, but not limited to, the requirements of Section 9.3. All improvements shall be consistent with first class space.

Section 9.2. Permits and Approvals. Tenant shall at all times be responsible, at its own cost and expense, for obtaining any building permits or other governmental approvals necessary for any Tenant Alterations performed by Tenant in or about the Demised Premises and, at no time, shall any work be done in or about the Demised Premises until all such permits and approvals are obtained.

Section 9.3. Contract Requirements. Tenant shall not perform any work in or about the Demised Premises on any occasion unless the work is performed by a reputable and responsible contractor and unless the contractor provides to Landlord evidence of Builder's Risk insurance sufficient in type and in an amount equal to not less than 100% of replacement cost of the Building and the Demised Premises prior to performance of any such work and other insurance as may be required pursuant to Section 9.5 hereof. All work shall be done on a "no-liens" basis.

Section 9.4. Ownership of Improvements. Any improvements, alterations, additions and fixtures installed by Tenant in or about the Demised Premises shall be free and clear of all liens and encumbrances and, except as provided in Section 18.1, shall upon the expiration or termination of this Lease for any reason become the property of Landlord without obligation of Landlord to Tenant.

Section 9.5. Landlord's Approval. For any installations and alterations desired by Tenant, Landlord may impose such conditions to its consent as it may elect, including conditions that Tenant (a) obtain Landlord's prior written approval of all contractors and subcontractors; (b) carry, and cause all contractors and subcontractors to carry, worker's compensation, general liability, personal and property damage insurance; (c) agree at its sole cost to remove any such Tenant Alterations on or before the expiration or sooner termination of the Term and to restore the Demised Premises to its prior condition; and (d) provide security satisfactory to Landlord in order to insure that the Demised Premises shall be kept free from mechanics' or materialmen's liens and that the cost of all alterations or additions will be fully paid.

Section 9.6. Financing. Tenant may mortgage, collaterally assign or otherwise encumber any interest that Tenant has in the Lease or in the improvements as security for any indebtedness. Notwithstanding the foregoing, Tenant shall not file or grant a leasehold mortgage or other security interest in the leasehold estate without Landlord's prior written approval.

**ARTICLE X
UTILITIES**

Section 10.1. Utilities. Landlord shall cause the electricity, gas, water and sewer, telephone, cable telecommunications services, and heat for the Demised Premises to be separately metered in the name of Tenant. Tenant shall pay the public utility company directly for the cost of all such utilities used in connection with the Demised Premises with the possible exception of water and sewer which are separately metered or submetered for service to the Demised Premises and which may be paid by Landlord, in which case Tenant shall reimburse Landlord, at Landlord's actual cost, for such metered or submetered service to the Demised Premises within thirty (30) days after written demand thereof. Should Landlord be required to pay any of Tenant's utilities, Tenant shall pay Landlord an administrative fee not to exceed fifteen percent (15%). In addition to any other remedy Landlord may have hereunder, Landlord may discontinue furnishing such services if charges for the same are not paid for upon five (5) days' written notice and no such discontinuation shall be deemed an eviction or render Landlord liable to Tenant for damages or relieve Tenant from its obligations hereunder. Notwithstanding the foregoing, Landlord shall pay all costs associated with bringing utility services to the Demised Premises, including all utility, hook-up, tap, impact, lateral, system development and other fees and costs associated with stubbing utilities to the Demised Premises. Prior to the date that the Demised Premises have been Substantially Completed, Landlord shall provide Tenant with all utility company names and contact information to assist Tenant with the timely transfer of billing information to be effective as soon as reasonably possible after the Delivery Date.

Section 10.2. Heating, Ventilating, Air Conditioning, Elevator, and Sprinkler System.

(a) Landlord shall (i) install a HVAC system (including a condenser) dedicated for the Demised Premises, and (ii) be responsible, at Tenant's sole cost and expense (to be billed as Operating Expenses), (A) for all duct work to and from the HVAC system, (B) for distributing any HVAC services within the Demised Premises and (C) for all maintenance, repairs and replacements of said HVAC system. Tenant agrees to conform to such energy conservation measures as may be required from time to time by any government regulation or program of voluntary cooperation as the same may affect heating and air conditioning of the Building.

(b) Landlord shall maintain, at Tenant's sole cost and expense (to be billed as Operating Expenses), that portion of any sprinkler system located in the Demised Premises. However, Landlord shall not be liable to Tenant in the event any sprinkler system shall be inoperative, in whole or part, whether because of failure of the water supply or any reason whatsoever, or in the event that the sprinkler system functions properly or improperly, so that water fails to be discharged or is discharged directly or seeps or drains into the Demised Premises, unless due to Landlord's gross negligence.

Section 10.3. Landlord's Right To Stop Service. Landlord reserves the right to stop service of the heating, air conditioning, elevator, sprinkler, plumbing, gas, and electric systems when necessary by reason of accident or emergency, or for repairs, alterations, replacements, or improvements, when in the judgment of Landlord desirable or necessary to be made, until said repairs, alterations, replacements or improvements have been completed. Landlord shall have no responsibility or liability for failure to supply heat, air conditioning, elevator, plumbing, sewerage, gas, electricity, sprinkler system, or other services during said period when prevented from so doing by strikes, accidents, or by causes beyond Landlord's control, or by law, order or regulation of any federal, state, or municipal board or agency, or failure of any utility to supply the Demised Premises. In any event, Landlord may cease to furnish any one or more of said services without any liability or responsibility to Tenant except to connect the service facilities with such other sources of supply as may be available for the services so discontinued. Landlord shall, as soon as reasonably practicable, notify Tenant in writing of any anticipated interruption, including a reasonable

estimate of the duration for such interruption, and a description of any action Landlord anticipates in connection with restoring such service.

Section 10.4. Roof Access. Tenant shall not, and shall not permit any other party to, use, alter or access the Building roof for any reason without prior written consent of Landlord.

ARTICLE XI MAINTENANCE AND CARE OF THE DEMISED PREMISES

Section 11.1. Obligations of Landlord. Landlord, after having received written notice from Tenant of any defect, shall make such repairs as may be necessary to keep the (a) structural portions of the Demised Premises, including the floor slab, the roof, the concrete floor and foundation, and structural walls, (b) canopy gutters and down spouts, (c) exterior walls and interior repairs necessitated by Landlord's failure to maintain exterior walls, (d) exterior plumbing and electrical lines, and (e) all of the Common Areas in reasonably good repair provided that Landlord shall not be required to make any such repairs and replacements referred to above if occasioned by (i) any act, omission or negligence of Tenant or any of its agents, servants, employees, officers, customers, independent contractors, suppliers of goods, suppliers of services, licensees or invitees, (ii) any Tenant Alterations or (iii) any use made of the Demised Premises by Tenant which is different than the Permitted Use. Landlord will be responsible, at its sole cost and expense, for any repair, addition, alteration or change to the Demised Premises and the Building necessitated by any existing or further requirements of any governmental authority which affect office buildings and retail facilities generally or the Building generally and are not required solely because of Tenant's specific and unique use of the Demised Premises. Landlord shall not be required to make any other improvements, repairs or replacements of any kind upon or about the Demised Premises, except those expressly mentioned in this Section.

Section 11.2. Repairs and Maintenance by Tenant.

(a) Except for the repairs and replacements Landlord is specifically obligated to make under Section 11.1, Tenant shall make all repairs to the Demised Premises (ordinary or extraordinary) which are necessary or desirable to keep the Demised Premises in good order and repair and in a safe and tenantable condition. Without limiting the generality of the foregoing, Tenant is specifically required to make repairs and replacements to each of the following: (i) the portion of any pipes, lines, ducts, wires or conduits within the Demised Premises; (ii) windows, plate glass, doors, gates and any fixtures or appurtenances composed of glass (but only to the extent such repairs and/or replacements are necessary as a result of any action or inaction by Tenant or any of Tenant's employees, contractors, invitees, agents or representatives); (iii) Tenant's signs; (iv) any HVAC equipment in the Demised Premises; (v) interior, nonstructural portions of the Demised Premises, including glazing, electrical, lighting and plumbing systems serving only the Demised Premises, from the points of connection with in the Demised Premises; and (vi) the Demised Premises or the Building when repairs or replacements to the same are necessitated by any act or omission of Tenant, its agents, employees, invitees or customers, or the failure of Tenant to perform its obligations under this Lease. Tenant shall obtain a HVAC maintenance contract vendor approved in advance by Landlord, and Tenant shall provide Landlord with copies of such contracts within five (5) days after their execution. In the event that Tenant fails to make any repairs or perform maintenance as required hereunder, Landlord shall have the right, but not the obligation, to make such repairs or perform such maintenance at Tenant's sole cost and expense, such amount to be charged to Tenant as Additional Rent and shall be paid to Landlord within ten (10) days of Landlord's incurring the cost or expense.

(b) Neither Tenant nor any of its agents, invitees or customers shall use the plumbing facilities for any other purpose than that for which they are constructed, no foreign substance of any kind

shall be thrown therein, such plumbing facilities shall at all times be kept clear and free of all clogs and obstructions, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant in the event that Tenant or its employees, agents, invitees, or licensees shall have contributed to it.

Section 11.3. Approval of Repairs by Landlord. Tenant shall not commence to make any repair or replacement to the Demised Premises until plans and specifications therefor shall have been submitted to and approved in writing by Landlord, which approval shall not be unreasonably withheld. Expenses incurred by Landlord for the review of such plans and specifications shall be borne by Tenant in accordance with Section 15.8 below. After approval of the plans and specifications, the work shall then be commenced promptly, performed in accordance with the approved plans and specifications, and prosecuted diligently to completion. In the event of an emergency, Tenant may proceed to make any necessary repair, but shall promptly notify Landlord of the nature of the emergency and of the type and extent of the repair.

Section 11.4. Emergency Repairs. If, in an emergency, it shall become necessary to make promptly any repairs or replacements required to be made by Tenant, Landlord may enter the Demised Premises and proceed forthwith to have the repairs or replacements made and pay the cost thereof. Within ten (10) days after Landlord renders a bill therefor, Tenant shall reimburse Landlord for the cost of making the repairs. Landlord shall have access to the Demised Premises in accordance with Section 15.13 for any repairs.

Section 11.5. Security. Tenant shall be responsible for the security of the Demised Premises and shall comply, at its sole cost and expense, with all Applicable Laws (including without limitation all fire safety codes and any required lock box).

ARTICLE XII INDEMNITY, LIABILITY AND CASUALTY INSURANCE

Section 12.1. Indemnity by Tenant. From the Delivery Date, Tenant assumes full responsibility for the Demised Premises and agrees to indemnify and hold harmless Landlord from and against all claims on the part of Tenant, Tenant's agents, employees, invitees or third parties of whatever nature:

(a) arising from any act, omission or negligence of Tenant or Tenant's agents, servants, employees, contractors, licensees, invitees, visitors, or customers or arising from any accident, injury, or damage whatsoever caused to any person, or to the property of any person, including that of Tenant or Tenant's agents, servants, employees, contractors, licensees, invitees, visitors, or customers, occurring in or about the Demised Premises (including any claim by a third party in connection with damage to the Demised Premises or Tenant's property located therein or property of any other person within the Demised Premises);

(b) arising from any accident, injury or damage occurring outside of the Demised Premises, where such accident, damage or injury results, or is claimed to have resulted, from an act or omission on the part of Tenant or Tenant's agents, servants, employees, contractors, licensees, invitees, visitors, or customers; and/or

(c) otherwise arising from or related to any violation or breach by Tenant of any of the provisions set forth in this Lease.

This indemnity and hold harmless agreement shall include indemnity against all costs, expenses, liabilities, losses, expenses, attorneys' fees, and other costs of whatever kind incurred in or in connection with any

such claim or proceeding brought thereon (including without limitation investigation and cleanup costs and penalties and fines), and the defense thereof, but shall not include indemnity against costs, expenses, liabilities, losses, expenses, attorneys' fees, and other costs arising out of the gross negligence or willful misconduct of Landlord or Landlord's agents, servants, employees, or contractors. This indemnity and hold harmless agreement shall survive termination of this Lease.

Section 12.2. Tenant's Liability Insurance. Tenant agrees to maintain in full force from and after the Delivery Date and during the Term hereof a policy or policies of (a) commercial general liability and property damage insurance covering bodily injury (including death) and property damage (including loss of use) with minimum limits of liability of One Million Dollars (\$1,000,000) combined single limit and Two Million Dollars (\$2,000,000) general aggregate limit and (b) excess or umbrella liability coverage with a minimum limit of One Million Dollars (\$1,000,000).

Section 12.3. Tenant's Casualty Insurance. Tenant shall maintain throughout the Term insurance on Tenant's improvements to the Demised Premises and Tenant's fixtures, equipment, inventory and personal property used in the conduct of its business on the Demised Premises covering all risks of physical loss in forms of insurance available on the market at the time the insurance is purchased, including without limitation insurance against damage or loss of any kind or nature arising out of water that backs up from a sewer or drain, and such other risks as Landlord may reasonably require, in limits equal to the full replacement value thereof. The proceeds of such insurance with respect to Tenant's improvements shall be payable jointly to Landlord and Tenant and, in the event of a casualty, all proceeds with respect to Tenant's improvements shall be disbursed in such manner as Landlord may reasonably require to insure restoration of Tenant's improvements, fixtures and equipment; *provided*, that if such insurance proceeds equal Twenty-Five Thousand Dollars (\$25,000) or less, such proceeds shall be payable directly to Tenant. Tenant shall carry Builder's Risk insurance as may reasonably be required by Landlord, and Fire Legal Liability insurance with a limit of at least Three Hundred Thousand Dollars (\$300,000). Tenant shall also maintain throughout the Term insurance covering loss of income and continuing expenses for a period of at least six (6) months in the event of loss.

Section 12.4. Worker's Compensation Insurance. From and after the Delivery Date and throughout the Term, Tenant shall maintain in full force and effect a policy or policies of worker's compensation insurance in the maximum amount required by law, issued by and binding upon a responsible insurance company doing business in the Commonwealth of Pennsylvania.

Section 12.5. Glass Insurance. Landlord and Tenant shall keep all glass in and around the Demised Premises insured against all risks for the benefit of Landlord and Tenant in amounts and with a company reasonably satisfactory to Landlord. To the extent any such glass is damaged by the act or omission of Tenant or any of Tenant's employees, contractors, invitees, agents or representatives, Tenant shall be responsible for making a claim on its insurance policy therefor. To the extent any such glass is damaged in connection with anything other than an act or omission of Tenant or any of Tenant's employees, contractors, invitees, agents or representatives, Landlord shall be responsible for making a claim on its insurance policy therefor.

Section 12.6. General Requirements Regarding Tenant's Insurance. Any insurance procured by Tenant as required by this Lease shall be issued by a company qualified to do business in the Commonwealth of Pennsylvania reasonably acceptable to Landlord, with a general policyholders rating not less than A and a financial rating of XI or better as listed in the most current available "Best's Insurance Reports." All such insurance policies shall name Landlord as an additional insured lessor, with contractual liability endorsements covering the agreements of Tenant to indemnify Landlord from and against all cost, expense and/or liability as contractually undertaken by Tenant under the terms of this Lease (whether in this Article XII or otherwise). All such insurance policies shall also contain endorsements that such

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insurance may not be canceled or amended with respect to Landlord by the insurance company without thirty (30) days prior written notice to Landlord and that denial of coverage or voiding of the policy for failure of Tenant to comply with its terms shall not affect Landlord's interest thereunder. Tenant shall be solely responsible for payment of premiums for any insurance required of Tenant under this Lease. The original policy of all such insurance or certificates evidencing such insurance shall be delivered to Landlord by Tenant within ten (10) days of inception of such policy by the insurance company. Notwithstanding the foregoing, on or prior to the date Tenant takes possession of the Demised Premises, Tenant shall deliver to Landlord a copy of the original insurance policies or certificates required herein. Neither the minimum limits of any insurance coverage required herein nor the deductible allowed shall limit Tenant's liability under Section 12.1.

Section 12.7. Miscellaneous Covenants of Tenant Regarding Liability and Insurance.

(a) Tenant shall not permit any condition to exist that will either (i) tend to increase the cost of any insurance maintained by Landlord with respect to the Demised Premises or the Building, or (ii) cause or contribute to a decision by the insurer to cancel any such insurance. Tenant shall pay on demand, as Additional Rent, any increase in insurance cost suffered by Landlord as a result of Tenant's having permitted any such condition to exist. If Tenant fails to pay such Additional Rent or causes or contributes to a decision by the insurer to cancel any such insurance, Landlord may exercise any of the rights and remedies afforded by Article XVII.

(b) Tenant agrees to use and occupy the Demised Premises, and to use such other portions of the Building as it is herein given the right to use, at its own risk and Landlord shall have no responsibility or liability for any loss of or damage to fixtures, inventory or other property of Tenant or Tenant's employees, invitees or customers. The provisions of this paragraph shall apply during the whole of the Term and during any period prior to the Term hereof after the Delivery Date.

(c) Tenant agrees that Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage that may be occasioned by or through the acts or omissions, negligence or otherwise, of persons occupying adjoining premises or any part of the premises adjacent to or connecting with the Demised Premises or any part of the Building, or otherwise, or for any loss or damage resulting to Tenant or Tenant's agents, employees or invitees or those claiming by, through or under Tenant, or its or their property, from the bursting, stopping or leaking of sprinklers or of water, gas, sewer or steam pipes, regardless of cause.

Section 12.8. Waiver of Subrogation. Insofar as and to the extent that the following provision may be possible without invalidating or making it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in the Commonwealth of Pennsylvania (even though extra premium may result therefrom), Landlord and Tenant mutually agree that with respect to any loss which is covered by insurance then being carried or required to be carried by them, respectively, the party hereto carrying such insurance and suffering said loss hereby releases the other of and from any and all claims with respect to such loss, including claims with respect to the negligence of the parties hereto; and Landlord and Tenant further mutually agree that their respective insurance companies shall have no right of subrogation against the other party hereto on account of any such loss. In the event an extra premium is payable by either party as a result of this provision, the other party shall have the option of reimbursing the party paying such premium the amount of such extra premium or waiving the provisions of this section. Nothing contained in this Section 12.8 shall be deemed to modify or otherwise affect releases elsewhere contained herein of either party from liability for claims.

ARTICLE XIII

DAMAGE TO DEMISED PREMISES

Section 13.1. Partial Damage. In the event that during the Term hereof the Demised Premises shall be partially damaged (as distinguished from "substantially damaged" as such terms are defined in Section 13.7 hereof) by fire or other casualty, the risk and cost of which is covered by Landlord's insurance, Landlord shall forthwith upon receipt of the insurance proceeds repair such damage and restore the Demised Premises (only so much thereof as was originally required to be constructed by Landlord pursuant to this Lease) to substantially their condition at the time of such damage.

Section 13.2. Substantial Damage. In the event that during the Term hereof the Demised Premises shall be substantially damaged or destroyed by fire or other casualty, the risk and cost of which is covered by Landlord's insurance, this Lease shall, except as hereinafter provided, remain in full force and effect and Landlord shall, with all reasonable dispatch upon receipt of the insurance proceeds, repair or rebuild the Demised Premises (only so much thereof as was originally required to be constructed by Landlord pursuant to this Lease) to substantially their condition at the time of such damage or destruction (subject, however, to zoning laws and building codes then in existence).

Section 13.3. Tenant's Obligations Upon Damage or Destruction. Subject to Sections 13.2 and 13.4(b), in the event that during the Term hereof, the Demised Premises shall be damaged, whether partial or substantial, by fire or other casualty and Landlord proceeds to repair or restore its portion of the damage in accordance with Sections 13.1 and 13.2, Tenant shall forthwith proceed to repair and restore that portion of the damage that was originally required to be constructed by Tenant pursuant to this Lease.

Section 13.4. Right to Terminate.

(a) Notwithstanding the foregoing provisions of this Article XIII, if (i) the Demised Premises shall be substantially damaged, (ii) the damage to the Demised Premises or the Building is not covered by the proceeds of Landlord's insurance or (iii) if the Building should be damaged to the extent of fifty percent (50%) or more of the monetary value thereof, then, in any of such events, Landlord shall have the right to terminate this Lease by giving written notice of Landlord's intention to terminate to Tenant not later than one hundred eighty (180) days after Landlord first receives written notice from Tenant or otherwise is notified of such damage or destruction.

(b) Notwithstanding the foregoing provisions of this Article XIII, if the Demised Premises shall be substantially damaged, but provided that the damage was not caused by an act or omission on the part of Tenant or any of its agents, employees, suppliers, customers or invitees, Tenant may, at its option, elect either to terminate this Lease (by giving written notice of termination to Landlord within ten (10) days after receipt of notice from Landlord indicating that the Demised Premises has been substantially damaged), or, subject to Landlord's rights hereunder, remain in the Demised Premises with an abatement of Annual Base Rent calculated in accordance with Section 13.6.

Section 13.5. Termination Date. In the event of termination of this Lease pursuant to this Article XIII, this Lease and the Term hereof shall cease and come to an end as of the date of such damage or destruction as though such date were the date originally fixed for the expiration of the Term and Tenant shall vacate the Demised Premises and surrender the same to Landlord pursuant to the terms of this Lease, allowing a reasonable period of time for the closing of Tenant's business and the removal of Tenant's property from the Demised Premises.

Section 13.6. Abatement of Rent. In the event the provisions of Section 13.1 or Section 13.2 hereof shall be applicable, or in the event Landlord elects to repair or restore any damage despite the conditions of Section 13.4, but provided in any case that the damage was not caused by an act or omission

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on the part of Tenant or any of its agents, employees, suppliers, customers, licensees or invitees, the Annual Base Rent shall be reduced during the period of repair or restoration to that fraction of the Annual Base Rent otherwise prevailing, the numerator of which is the square footage of the Demised Premises reasonably usable by Tenant in the conduct of its business and the denominator of which is the total square footage of the Demised Premises. Upon substantial completion of the repair or restoration work required to be performed by Landlord, the Annual Base Rent shall be restored to the level determined under Article IV.

Section 13.7. Definitions. The terms "substantially damaged" and "substantial damage", as used in this Article XIII, shall have reference to damage of such a character as cannot reasonably be expected to be repaired, or the Demised Premises restored, within one hundred eighty (180) days from the time that such repair or restoration work would be commenced. The terms "partially damaged" and "partial damage", as used in this Article XIII, shall have reference to damage of such a character which can reasonably be expected to be repaired, or the Demised Premises restored, within one hundred eighty (180) days from the time such repair or restoration work would be commenced.

**ARTICLE XIV
EMINENT DOMAIN**

Section 14.1. Definitions. As used in the Section, the following words have the following meanings:

"Award" means the award for or proceeds of any Taking less expenses in connection therewith including attorneys' reasonable fees and less any amounts paid to mortgagees for the diminished value of the mortgaged property.

"Taking" means the taking of, or damage to, the Demised Premises or the Building or any portion thereof, as the case may be, as the result of the exercise of any power of eminent domain, condemnation, or purchase under threat thereof or in lieu thereof.

"Taking Date" means the date on which the condemning authority shall have the right to possession of the Demised Premises or the Building or any portion thereof.

"Substantial Taking" means a Taking of less than all of the Demised Premises that renders that portion of the Demised Premises not so taken unsuitable for the business of Tenant despite reconstruction or restoration.

Section 14.2. Total or Substantial Taking of Demised Premises. If all of the Demised Premises shall be taken, except for a temporary Taking as defined in Section 14.6, this Lease shall be canceled automatically as of the Taking Date. In the event of a Substantial Taking, except for a temporary Taking, either party, upon written notice to the other, shall be entitled to terminate this Lease, provided such notice is given within sixty (60) days of the Taking Date.

Section 14.3. Partial Taking of the Demised Premises or the Building. In the event (a) of a Taking that is not a Substantial Taking and (b) such Taking is for more than twenty (20%) percent of the floor area of the Building, Landlord shall be entitled, upon written notice to Tenant, to terminate this Lease, if such notice is given within sixty (60) days of the Taking Date.

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Section 14.4. Payment of Base Rent and Additional Rent upon Termination of Lease. If this Lease shall be terminated in accordance with the above provisions; all Rent shall be paid up to the date of termination.

Section 14.5. Abatement and Restoration. Except as provided in Section 14.6, if a Taking occurs and this Lease is not terminated in accordance with the above provisions, the following shall apply: (a) the Annual Base Rent shall be reduced in the proportion that the area so taken bears to the total square footage of the Demised Premises; and (b) Landlord shall restore the remaining portion of the Demised Premises, to the extent practical, so as to render it a complete structural unit as near as possible to its condition as of the Delivery Date; *provided* that Landlord shall not be obligated to spend for such work any amount in excess of that portion of the Award as may be equitably allocated to the Demised Premises as a result of the Taking.

Section 14.6. Taking for Temporary Use. If there is a Taking of the Demised Premises for temporary use, this Lease shall continue in full force and effect, and Tenant shall continue to comply with Tenant's obligations under this Lease, except to the extent compliance shall be rendered impossible or impracticable by reason of the Taking. Any Taking that can reasonably be expected to be less than three (3) months in duration shall be considered a taking for temporary use.

Section 14.7. Disposition of Award. Tenant shall not be entitled to and expressly waives all claim to any condemnation award for any taking, whether whole or partial, and whether for diminution in value of the leasehold or to the fee, although Tenant shall have the right, to the extent that the same shall not reduce Landlord's award, to claim from the condemnor, but not from Landlord, such compensation as may be recoverable by Tenant in its own right for damage to Tenant's business and fixtures (to the extent that funds therefor were not furnished by Landlord), if such claim can be made separate and apart from any award to Landlord and without prejudice to Landlord's award.

ARTICLE XV
COVENANTS OF TENANT

Section 15.1. Organization of Tenant and Authority Relative to Lease. Tenant represents, warrants and covenants to Landlord that: (a) Tenant has the legal right, authority and capacity to enter into this Lease; (b) this Lease has been duly executed by Tenant and is a valid, legally binding and enforceable obligation of Tenant in accordance with its terms; and (c) the execution, delivery and performance of this Lease by Tenant and/or the operation of Tenant's business will not violate any agreement to which Tenant or any of its owners are a party and will not require the consent, approval or authorization of any person, corporation, partnership, joint venture or other business association or public authority.

Section 15.2. Tenant Certificates, Estoppels and Information.

(a) Recognizing that Landlord may find it necessary to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance hereunder, Tenant, on the written request of Landlord made from time to time, will furnish within ten (10) business days of such request a written declaration on the status of this Lease, consisting of statements: (i) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended (except as may be stated); (ii) of the date through which rentals have been paid; (iii) of the dates of the commencement and termination of this Lease; (iv) that no default, or state of facts, which with the passage of time or notice would constitute a default, exists on the part of either party hereto (except as may be stated); (v) that there are no defenses or offsets against the enforcement of this Lease by Landlord (or stating those claimed by Tenant); and/or (vi) concerning any other information which may reasonably be required by Landlord

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and/or the third party. Each such statement shall be certified to Landlord, any lender, any purchaser or any other person specified by Landlord.

Section 15.3. Discharge of Mechanic's and Other Liens. Should any mechanic's or other lien be filed against the Demised Premises or the Building, or any part thereof, or Tenant's interest therein, for any reason whatsoever by reason of Tenant's acts and omissions or the acts or omissions of Tenant's agents, independent contractors, or employees or because of a claim against Tenant or its independent contractors, agents and employees, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise at Tenant's expense within thirty (30) days after notice by Landlord to Tenant.

Section 15.4. No Memorandum of Lease. Landlord and Tenant agree that a Memorandum of Lease shall not be prepared or recorded in connection with this Lease.

Section 15.5. Holding Over. In the event Tenant remains in possession of the Demised Premises after the expiration of the tenancy created hereunder, and without the execution of a new lease, Tenant, at the option of Landlord, shall be deemed to be occupying the Demised Premises as a tenant at sufferance, at one hundred fifty percent (150%) the Annual Base Rent and Additional Rent due or payable in the preceding month, and after making all adjustments to said amount as previously specified herein. The payment of such holdover rent shall not relieve Tenant from any other liability or indemnification obligation hereunder. In the event any holdover exceeds thirty (30) days, Tenant shall be liable for consequential damages. Any such occupancy shall be subject to all the other conditions, provisions and obligations of this Lease insofar as the same are applicable to a tenancy at sufferance; *provided, however*, that in no event shall any such holdover and payment of Rent be constituted as extending the Term hereof.

Section 15.6. Interest on Amount Past Due. If Tenant shall fail to promptly make any payment of the Rent reserved hereunder or pay any other sum which Tenant has agreed to pay to Landlord in accordance with the terms of this Lease within five (5) days of the date when such sums shall be due and payable, Tenant shall pay, in addition to such sums, interest on any amount so unpaid from the due date to the date of payment at a floating rate equal to 1.5% above the prime rate of interest charged from time to time by PNC Bank, National Association, or any successor institution; *provided* that such rate shall be subject to reduction, at the option of Landlord, to the maximum rate permissible by law. The payment of interest shall not relieve Tenant's default for non-payment of the Rent reserved hereunder.

Section 15.7. Late Payment Charge. In the event Tenant fails to make any payments of the Rent reserved hereunder or pay any other sum which Tenant has agreed to pay to Landlord in accordance with the terms of this Lease within ten (10) days of the date when such payment is due, Landlord shall have the right to charge, and Tenant agrees to pay, a fee equal to three percent (3%) of the amount due, in addition to the interest provided in Section 15.6. Payment of a late charge shall not relieve Tenant's default for non-payment of Rent hereunder.

Section 15.8. Reimbursement for Landlord's Expenses. If Tenant shall, in connection with (a) an assignment or sublease, or (b) any Major Renovation (as hereinafter defined), request anything of Landlord (whether or not such request is required by the terms of this Lease) which shall require consultation with Landlord's counsel, accountants, architects, engineers or other professionals, or which shall require preparation of, or review of, documents by Landlord's counsel, accountants, architects, engineers or other professionals, Tenant shall reimburse Landlord, within thirty (30) days of written notice and demand, any reasonable fees and expenses incurred by Landlord incident thereto. For the purposes of this Lease, a "Major Renovation" shall be deemed to be any alteration or modification which involves (i) any change to the HVAC, plumbing, elevator, electrical or other systems of the Demised Premises, or the structure of the Demised Premises, or (ii) any substantial modification or alteration to the Demised Premises, the cost of which is in excess of \$10,000.

Section 15.9. Financing.

(a) In the event Landlord arranges additional or permanent financing for the Building, or any part thereof, and that financing can be obtained only upon the basis of modification of the terms of this Lease, Tenant agrees to approve any such modification within ten (10) days after Landlord's request, provided such modification does not alter the (i) Base Rent, Additional Rent, or other charges payable by Tenant hereunder (ii) Terms of this Lease, (iii) Permitted Use provisions of this Lease or (iv) configuration of the Demised Premises.

(b) Tenant hereby acknowledges that this Lease is subject to approval by the U.S. Department of Housing and Urban Development ("HUD"). Tenant shall take any action required by HUD in connection with the execution or performance of this Lease, including without limitation promptly delivering any information requested by or on behalf of HUD from time to time.

Section 15.10. No Accord and Satisfaction. No payment by Tenant, or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord, shall be treated otherwise than as a payment on account. The acceptance by Landlord of a check or other instrument for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check or instrument, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check or instrument without prejudice to any other rights or remedies which Landlord may have against Tenant.

Section 15.11. Force Majeure. In the event that Landlord or Tenant shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder (other than payment of any sums due hereunder by Tenant) by reason of strikes, lock-outs, weather conditions, breakdown, accident, casualties, acts of God, labor troubles, delays in performance by contractors, inability to procure materials, inability by the exercise of reasonable diligence to obtain supplies, parts, employees or necessary services, failure of power, governmental laws, orders or regulations, actions of governmental authorities, riots, insurrection, war or other causes beyond the reasonable control of Landlord or Tenant, or for any cause due to any act or neglect of the other party hereto or its respective servants, agents, employees, licensees, or any person claiming by, through or under them (referred to in this Lease as "Force Majeure"), then such party shall not be liable or responsible for any such delays, and the doing or performing of such act or thing shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay and Tenant shall not be entitled to any diminution of Rent, damages or compensation therefor.

Section 15.12. Broker's Commissions. Landlord and Tenant each represents and warrants to the other that neither it nor its officers or agents has dealt with any real estate broker except for Burns & Scalo Real Estate Services, Inc. ("Landlord's Broker") and Tipton & Associates, LLC ("Tenant's Broker") in the negotiating or making of this Lease, and each party agrees to indemnify and hold harmless the other from any claim or claims, and costs and expenses, including attorneys' fees, incurred by the indemnified party in conjunction with any such claim or claims of any broker or brokers other than Landlord's Broker or Tenant's Broker to a commission in connection with this Lease as a result of the actions of the indemnifying party.

Section 15.13. Landlord's Access to Premises. Tenant covenants that Landlord shall have the right to enter upon the Demised Premises, after first giving 24 hours' prior notice (except in the case of an emergency in which case no such notice shall be required), at all hours for the purpose of inspecting or of making repairs to the same or the Building. Landlord shall also have the right to enter the Demised Premises at all times, after first giving 24 hours' prior notice (except in the case of an emergency in which case no such notice shall be required), to inspect or to exhibit the same to prospective purchasers, lenders and

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tenants. If Tenant shall not be present when for any reason an entry therein shall be permissible, Landlord may enter by the use of force (in an emergency situation) without in any manner incurring any liability therefor.

Section 15.14. Dispute Resolution. Disputes arising between Tenant and Landlord shall be resolved as follows:

(a) All disputes arising hereunder and claims of default, including but not limited to the payment of Rent, which are contested by the non-defaulting party shall be decided by the following means: (i) within ten (10) days of receipt of notice from either Landlord or Tenant, Landlord and Tenant shall determine whether they will agree to mediate the dispute or default through non-binding mediation before a mediator mutually chosen by Landlord and Tenant; (ii) if Landlord and Tenant either choose not to engage in mediation or mediation does not produce an acceptable result within thirty (30) days of the selection of a mediator, Landlord and Tenant will use their best efforts to select a private dispute resolution firm to conduct a binding arbitration proceeding in which, in addition to rendering a decision with regard to the dispute or default, the arbitrator(s) shall be empowered to assess the costs and expenses of the proceeding, including the reasonable attorney's fees of the prevailing party against the non-prevailing party; (iii) if Landlord and Tenant do not elect to engage the private dispute resolution process set forth in (ii) above, the dispute or default shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association which either party may elect to initiate at any time after the dispute or claim arises. Any awards rendered either through (ii) or (iii) above shall be final and binding, may be entered as a judgment in the Court of Common Pleas of Allegheny County and subject to enforcement under the Pennsylvania Rules of Civil Procedure and local rules of court.

(b) Notwithstanding the above provisions governing alternative dispute resolution procedures, if the amount in controversy is likely to exceed Two Hundred Fifty Thousand Dollars (\$250,000), either party may reject alternative dispute resolution and file suit in the Court of Common Pleas of Allegheny County, Pennsylvania.

(c) The following schedule will govern the dispute resolution process, will be deemed to be of the essence, strictly complied with by Landlord and Tenant and subject to enforcement, with the exception by mediation, at the option of either party through a request for injunctive relief in the Court of Common Pleas of Allegheny County.

(d) If either party has rejected mediation or if a mutually satisfactory resolution through mediation has not been accomplished then the arbitration hearings, either through the private dispute resolution process or American Arbitration Association process must be concluded within ninety (90) days of either the decision not to mediate or the conclusion of the mediation process.

(e) Landlord and Tenant each agree (i) that resolving outstanding disputes or claims in a timely manner is critical, (ii) that time is of the essence thereto and (iii) to use their best efforts at all stages of the dispute resolution process to continue the process to conclusion, including but not limited to, the timely selection of the method of resolution, the selection of an arbitrator(s), the use of limited discovery, the prompt scheduling of hearings and the timely rendering of a final decision.

Section 15.15. Tenant Reporting Requirements. Within sixty (60) days after the last day of each Lease Year, Tenant shall submit to Landlord a written statement of its Gross Sales (as defined below) for said Lease Year, which statement shall be certified by an executive officer of Tenant. Landlord agrees to keep any information contained in such statement in strict confidence, except disclosures to Landlord's attorneys, accountants, lenders or prospective lenders and buyers or prospective buyers. As used in this Section, "Gross Sales" means the amount of gross sales of all meals, food items, beverages, merchandise,

goods, or services sold or rendered in, on, about or from the Demised Premises by Tenant or any subtenants, licensees or concessionaires, whether for cash or on a charge, credit or time basis, without reserve or deduction for inability or failure to collect.

**ARTICLE XVI
LANDLORD'S COVENANT OF QUIET ENJOYMENT;
NO PERSONAL LIABILITY**

Section 16.1. Peaceful Enjoyment. Tenant, on payment of the Rent and observing, keeping and performing all of the terms and provisions of this Lease on its part to be observed, kept and performed, shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Demised Premises during the Term hereof without hindrance or ejection by any persons lawfully claiming under Landlord; but it is understood and agreed that this covenant and any and all other covenants of Landlord contained in this Lease shall be subject to any mortgage to which this Lease is subordinate and shall be binding upon Landlord and its successors only with respect to breaches occurring during its and their respective ownership of Landlord's interest hereunder.

Section 16.2. Limitation of Liability. Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of Landlord in the Building for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants, and conditions of this Lease to be observed and/or performed by Landlord. For the sake of clarity, any such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levy against the right, title and interest of Landlord in the Building, as the same may then be encumbered. No other assets of Landlord shall be subject to levy, execution or other procedure for the satisfaction of Tenant's remedies and under no circumstances shall any of Landlord's partners, managers, or employees have any personal liability for the obligations of Landlord hereunder.

**ARTICLE XVII
DEFAULT AND THE RIGHTS AND REMEDIES OF LANDLORD**

Section 17.1. Events of Default. If (a) Tenant shall fail to make any payment of Rent under this Lease promptly when due, (b) Tenant shall fail to perform or abide by any of the other terms, covenants or conditions of this Lease, or (c) an execution or attachment shall be issued against Tenant or any of Tenant's property (including the leasehold estate created by this Lease) and shall not be vacated or removed by court order, surety bond, or otherwise, then in each case, Landlord shall give to Tenant a written notice specifying the default that has occurred and, if (i) the default is of the type referenced in subpart (a) or (c) above and it shall not be fully cured within ten (10) calendar days after the giving of such notice, or (ii) the default is of the type referred to in subpart (b) above and it shall not be fully cured within thirty (30) calendar days after the giving of such notice (or if the default is of such a nature that it cannot be cured within such time, Tenant does not commence within thirty (30) calendar days and proceed with due diligence to cure such default), Landlord may at its option exercise any one or more of the rights and remedies provided by this Lease, specifically including but not limited to those rights and remedies specifically in Section 17.3 and Section 15.14 hereof.

Section 17.2. Modified Notice Required. Notwithstanding the provisions of Section 17.1, if either:

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(a) Tenant shall fail to make any payment of Rent under this Lease promptly when due or Tenant shall default in the performance of any of the other terms, covenants or conditions of this Lease and on two or more prior occasions during the same year Landlord shall have given Tenant a notice of default under Section 17.1 because of Tenant's failure to make the payments of Rent or to observe any similar term, covenant or condition; or

(b) To the full extent permissible under the U.S. Bankruptcy Code, 11 U.S.C., Section 101 *et seq.* (as amended, "Bankruptcy Code"), specifically Section 365 thereof (11 U.S.C. 365) or any successor thereto, if Tenant or any guarantor under this Lease shall file a voluntary petition in bankruptcy or take the benefit of any insolvency act or be dissolved or adjudicated a bankruptcy, or if a receiver shall be appointed for its business or its assets and the appointment of such receiver is not vacated within sixty (60) days after such appointment, or if it shall make an assignment for the benefit of its creditors, or

(c) Tenant begins or continues any alteration to the Demised Premises not permitted hereunder; or

(d) Tenant shall vacate or abandon the Demised Premises or if Tenant shall fail to operate its business from the Demised Premises for five (5) consecutive days; or

(e) Tenant at any time uses the Demised Premises or any portion thereof for any illegal or unlawful purpose, or commits or permits the commission therein of any act made punishable by fine or imprisonment; or

(f) Tenant shall fail to maintain any insurance required to be maintained by it hereunder; or

(g) Tenant's default is such that Landlord's rights might be prejudiced if they were required to give Tenant the notice and the opportunity to cure provided by Section 17.1,

then, and in any such case, Landlord may exercise any one or more of the rights and remedies set forth in Section 17.3 and Section 15.14 hereof after giving Tenant five (5) days' notice and initial five (5) days opportunity to cure a default occurring under Sections (a) through (g) of this Section 17.2.

Section 17.3. Rights and Remedies. The rights and remedies available to Landlord in the event of any default on the part of Tenant as described in Sections 17.1 and 17.2 above (each, an "Event of Default") are as follows:

(a) Landlord may terminate this Lease by written notice to Tenant. The termination shall be effective as of the date specified by Landlord in its notice of termination and Tenant waives any and all rights it may have to receive notice to vacate the Demised Premises. Landlord may thereafter lease the Demised Premises for such price and on such terms as may be immediately obtainable and hold Tenant liable not only for the Rent due (including all Annual Base Rent and Additional Rent) and other obligations incurred to the date of termination but also for the excess, if any, of the net amount that would have been realized by Landlord under this Lease after the termination over the net amount realized from the new tenant or tenants after deduction of all costs incurred by Landlord in reletting the Demised Premises (including, without limitation, remodeling costs, brokerage fees, attorneys' fees, experts' fees and all costs and the like) and in collecting the Rent in connection therewith.

(b) Landlord may declare immediately due and payable the Annual Base Rent for the entire unexpired Term hereof, including, in each case, any additional extension periods for which Tenant

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shall have become obligated. Landlord may proceed to effect collection of such accelerated Rent together with any other Rent and other obligations that may be or become due by Tenant hereunder.

(c) Landlord may demand specific performance or a mandatory injunction requiring Tenant to perform its obligations, or both.

(d) Landlord may cure the default and demand of Tenant immediate repayment of all amounts expended or advanced by Landlord in connection therewith, plus, (i) if Landlord performs repair or maintenance work required by Tenant, twelve percent (12%) of the actual cost thereof for overhead expense and (ii) interest thereon as provided in Section 15.6 on the whole amount due.

(e) This is a Lease of real property in the Building within the meaning of Subsection 365(b)(3) of the Bankruptcy Code. Tenant covenants and agrees that if, at any time, Tenant is adjudged bankrupt or insolvent under the laws of the United States or any state thereof, or makes a general assignment for the benefit of creditors, or if a receiver of Tenant's property in the Demised Premises is appointed and shall not be discharged within thirty (30) days of such appointment, then Landlord may, at its option, declare this Lease terminated and shall forthwith be entitled to immediate possession of the Demised Premises except that if any such proceedings are pursuant to the Bankruptcy Code, then Landlord shall be entitled to all the rights and remedies accorded landlords, including without limitation those set forth in said Bankruptcy Code. If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment, shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord's property under the preceding sentence not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Landlord an instrument confirming such assignment.

(f) Landlord may exercise the rights granted in Section 15.14 hereof.

(g) Landlord may exercise any other right or remedy accorded as a matter of law.

(h) **POWER OF ATTORNEY TO CONFESS JUDGMENT; EJECTMENT.** AT THE END OF THE TERM, WHETHER THE SAME SHALL BE DETERMINED BY FORFEITURE OR EXPIRATION OF THE TERM, AS PROVIDED IN THE LEASE, IT IS AGREED THAT AN AMICABLE ACTION OF EJECTMENT MAY BE ENTERED IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, IN WHICH LANDLORD OR LANDLORD'S SUCCESSORS OR ASSIGNS SHALL BE PLAINTIFF, AND TENANT, TENANT'S SUCCESSORS OR ASSIGNS AND ALL WHO COME INTO POSSESSION DURING THE TERM, OR UNDER TENANT, SHALL BE DEFENDANTS, AND THAT JUDGMENT MAY BE ENTERED THEREUPON IN FAVOR OF THE PLAINTIFF, WITHOUT LEAVE OF COURT, FOR THE DEMISED PREMISES, TO HAVE THE SAME FORCE AND EFFECT AS IF A SUMMONS IN EJECTMENT HAD BEEN REGULARLY ISSUED, LEGALLY SERVED AND RETURNED, AND THAT A WRIT OF POSSESSION WITH CLAUSE FOR ALL COSTS, INCLUDING ATTORNEYS' FEES, MAY BE ISSUED FORTHWITH, WAIVING ALL ERRORS AND DEFECTS WHATSOEVER IN ENTERING SAID JUDGMENT, ALSO WAIVING RIGHT OF APPEAL, WRIT OF ERROR, OR STAY UPON ANY WRITS OF POSSESSION WHICH MAY ISSUE UPON THE SAME. TENANT HEREBY EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD WITHIN THE

COMMONWEALTH OF PENNSYLVANIA TO APPEAR FOR TENANT IN SAID AMICABLE ACTION IN EJECTMENT FOR THE DEMISED PREMISES IN ANY COURT WITHIN THE COMMONWEALTH OF PENNSYLVANIA HAVING JURISDICTION, AND CONFESS JUDGMENT THEREIN AGAINST TENANT, WITH COSTS, IN FAVOR OF LANDLORD AND AGAINST TENANT AND ANY OTHER PARTY CLAIMING UNDER TENANT.

Tenant's Initials: MC

Landlord's election of a right or remedy shall not be irrevocable. If Landlord elects a right or remedy in respect of a default, it may at any time thereafter elect (and shall be entitled to enforce) one or more different rights or remedies in respect of the default. By way of example (but not limitation), if Landlord elects to accelerate Rent under subpart (b) or (c) of this Section and Tenant does not pay all of the accelerated Rent promptly on demand, at any time thereafter Landlord may elect (in lieu of enforcing collection of the accelerated Rent or the unpaid part thereof) to terminate this Lease as of any date, collect the Rent to the date of termination and enforce its rights and remedies under subpart (a) or any other provisions hereof.

Section 17.4. No Waiver. Failure on the part of Landlord to complain of any action or non-action on the part of Tenant, no matter how long the same may continue, shall never be deemed to be a waiver by Landlord of any of his rights hereunder. Further, the parties covenant and agree that no waiver at any time of any of the provisions hereof by Landlord shall be construed as a waiver at any subsequent time of the same provisions. Consent or approval by Landlord to or of any action by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent or approval to or of any subsequent similar act by Tenant.

Section 17.5. Attorneys' Fees. If, on account of a continued default or breach by Tenant of Tenant's obligations under the terms of this Lease, after any notice as may be required hereunder, it shall be necessary for Landlord to employ one or more attorneys to enforce or defend any of Landlord's rights or remedies hereunder, then, in such event, any reasonable amounts incurred by Landlord, including but not limited to attorneys' fees, experts' fees and all other costs, shall be paid by Tenant.

ARTICLE XVIII SURRENDER OF DEMISED PREMISES

Section 18.1. Delivery of the Demised Premises. Tenant covenants and agrees to deliver up and surrender the possession of the Demised Premises to Landlord upon the expiration of the Term or upon the expiration of any extension or renewal thereof, in broom clean condition, and in as good condition and repair as the same shall be at the commencement of said Term or may have been put by Landlord during the continuance thereof, ordinary wear and tear, and damage by fire or the elements, to the extent that the same is covered by Landlord's fire insurance policy with extended coverage endorsement, alone excepted. Nothing herein shall be construed as relieving Tenant of any of its maintenance obligations provided for in this Lease. All alterations, fixtures, installations, additions and improvements which may have been made in or attached to the Demised Premises shall become the property of Landlord without compensation to Tenant therefore; *provided, however*, Tenant may remove its trade fixtures, provided Tenant repairs any damage to the Demised Premises caused thereby.

ARTICLE XIX ASSIGNMENT AND SUBLETTING

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Section 19.1. No Assignment. Without the prior written consent of Landlord, which consent shall not be unreasonably withheld, Tenant shall not: (a) assign or in any manner transfer this Lease or any estate or interest therein; (b) permit any assignment of this Lease or any estate or interest therein by operation of law or otherwise; (c) sublet the Demised Premises or any part thereof; (d) grant any license, concession or other right of occupancy of any portion of the Demised Premises; (e) permit the use of the Demised Premises by any parties other than Tenant, its agents and employees; or (f) sublet or assign the Demised Premises or any part hereof to any subsidiary, affiliate or successor organization resulting from a merger, consolidation, sale, or acquisition. Consent by Landlord to one or more assignments or sublettings shall not be a waiver of Landlord's rights as to any subsequent assignments and sublettings. Any approved sublease shall be expressly subject to the terms and conditions of this Lease. In the event of an assignment or subletting, Tenant and any guarantor under this Lease shall remain fully responsible and liable for the payment of the Rent specified and for compliance with all of Tenant's other obligations under this Lease. If an Event of Default occurs while the Demised Premises or any part thereof are then assigned or sublet, Landlord, in addition to any other available remedies, may collect directly from Tenant's assignee or sublessee all rents becoming due to Tenant under any such assignment or sublease and apply such amount against any sums due to Landlord by Tenant, and Tenant authorizes and directs any assignee or sublessee to make payments of rent directly to Landlord upon receipt of notice from Landlord. No direct collection by Landlord from any assignee or sublessee shall constitute a novation or a release of Tenant or any guarantor under this Lease from the further performance of its obligations under this Lease. Receipt by Landlord of rent from any assignee, sublessee or occupant of the Demised Premises shall not be a waiver of the covenant in this Lease prohibiting assignment and subletting or a release of Tenant or any guarantor under this Lease under this Lease. Landlord is authorized and empowered, on behalf of Tenant, to endorse the name of Tenant upon any check, draft, or other instrument payable to Tenant evidencing payment of rent, or any part thereof, and to receive and apply the proceeds therefrom in accordance with the terms hereof. Tenant shall not mortgage, pledge or otherwise encumber its interest in this Lease or in the Demised Premises.

Section 19.2. Review of Assignee. If Tenant requests Landlord's consent to an assignment of this Lease or subletting of all or a part of the Demised Premises, Tenant shall submit to Landlord, in writing, the name of the proposed assignee or subtenant, current financial statements disclosing the financial condition of the proposed assignee or subtenant, the nature and character of the business of the proposed assignee or subtenant, and the proposed commencement date of the assignment or subletting, together with a copy of the proposed assignment or sublease. Upon receipt of such request and information, Landlord shall promptly review the same.

Section 19.3. Excess Rents. If Landlord consents to any subletting or assignment by Tenant as hereinabove provided, and subsequently any rents received by Tenant under the sublease are in excess of the Rent payable by Tenant under this Lease, or any additional consideration is paid to Tenant by the assignee under the assignment, Landlord, at its option, may either (a) declare one-half of such excess rents under any sublease or any additional consideration for an assignment to be due and payable by Tenant to Landlord as Additional Rent hereunder, or (b) elect to cancel this Lease as provided in Section 19.2 above. If less than all of the Demised Premises are sublet, then for the purposes hereof the Base Rent payable under this Lease shall be prorated for the purposes of comparison to determine whether rents received under the sublease are in excess of the Rent payable by Tenant. This proration shall be determined by multiplying the Base Rent by a fraction, the numerator of which is the number of square feet of usable area of the Demised Premises so subleased, as Landlord determines, and the denominator of which is the total number of square feet of usable area of the Demised Premises, as Landlord determines. The payments which may be required by Landlord hereunder shall include all payments of any nature whatsoever, direct and indirect, whether styled as rent, capitalized payments for rights under the lease or for fixtures, carpeting or otherwise.

Section 19.4. Assumption of Obligations. Each assignee shall assume, and be deemed to have assumed, this Lease and be and remain liable jointly and severally with Tenant for all payments and for the due performance of all terms, covenants and conditions herein contained on Tenant's part to be paid and performed. No assignment shall be binding upon Landlord unless the assignee shall deliver to Landlord an instrument in recordable form containing a covenant of assumption by the assignee, but the failure or refusal of such assignee to execute the same shall not release assignee from its liability as set forth herein. Landlord shall not impose any charge on Tenant as a condition of obtaining Landlord's consent pursuant to this Article XX. Tenant hereby agrees to pay Landlord's counsel fees in connection with any proposed assignment of Tenant's interest in this Lease or any proposed subletting of Tenant's interest in the Demised Premises. The rights to signage shall be transferred to assignee or sublessee upon an approved assignment or sublease, as applicable.

Section 19.5. Assignment by Landlord. Landlord has and reserves the right to transfer, assign and convey, in whole or in part, the Building and any or all of its rights under this Lease, and in the event Landlord assigns its rights under this Lease, Landlord shall thereby be released from any further obligations under this Lease, and Tenant shall look solely to Landlord's successor in interest for performance of those obligations.

ARTICLE XX RIGHTS OF MORTGAGEES

Section 20.1. Subordination.

(a) This Lease and Tenant's rights and interests hereunder shall at all times be subject and subordinate to any mortgage now or hereafter placed by Landlord in good faith for valid business reasons against the Building or any part thereof. The preceding sentence shall include, without limitation, any first mortgage granted in connection with the financing of the Building. Tenant agrees that if the mortgage is foreclosed, the holder of any mortgage or purchaser at any foreclosure sale will not be liable for any act or omission on the part of any prior landlord.

(b) In connection with this Lease and as a condition thereof, Landlord, Tenant and Landlord's lender shall execute a mutually acceptable subordination, non-disturbance and attornment agreement substantially in the form attached hereto as Exhibit E. Tenant shall promptly execute, acknowledge and deliver any reasonable instrument that Landlord or the holder of any superior mortgage or any of their respective successors in interest may reasonably request to evidence such subordination, and Tenant shall reimburse Landlord for any costs and expenses it incurs in connection with procuring, reviewing and executing any such instrument (other than for any such instrument executed in connection with the execution of this Lease).

Section 20.2. Attornment. Tenant shall, in the event of the sale or assignment of Landlord's interest in the Building or the Demised Premises, or in the event of any proceedings brought for foreclosure, or in the event of the exercise of any power of sale under any mortgage covering the Demised Premises or in the event of conveyance in lieu of foreclosure, attorn to the purchaser, assignee or foreclosing mortgagee and recognize such purchaser, assignee or foreclosing mortgagee as Landlord under this Lease. At the option of such purchaser, assignee or foreclosing mortgagee, Tenant will execute a new lease with such party on the same terms and conditions of this Lease, except that the initial term of the new lease shall be for the balance of the Term then remaining.

Section 20.3. Opportunity for Mortgagee to Cure Landlord Defaults. After receiving written notice from the holder or holders of any mortgage which includes as a part of its mortgaged premises the

Demised Premises or from Landlord as to existence of such a mortgage, which notice shall include the name and address of the mortgagee, Tenant shall, so long as such mortgage is outstanding, give to such holder(s) the same notice and opportunity to correct any default on the part of Landlord as is required to be given to Landlord pursuant to this Lease and shall be given in the manner specified in notice from such holder(s) to Tenant, but such notice may be given by Tenant to Landlord and such mortgagee or mortgagees concurrently. The performance of any such mortgagee of any obligation that Landlord is required to perform under this Lease shall be deemed performed by Landlord insofar as Tenant is concerned.

Section 20.4. Contingency; Lender Requirements. The consummation of the transactions contemplated by this Lease are subject in all respects to the prior approval of Landlord's lender. Tenant further acknowledges that Landlord's lender requires that all uses in the Building's commercial/retail space are to serve the needs of the Building residents and other residents of the community. Tenant shall not permit any activity at the Demised Premises that conflicts with this requirement.

**ARTICLE XXI
NOTICE**

Section 21.1. Addresses and Manner of Giving Notice. Any notice, communication, request, reply or advice (herein severally and collectively, for convenience, called "Notice") in this Lease provided or permitted to be given, made or accepted by either party to the other must be in writing, and may, unless otherwise in this lease expressly provided, be given or be served by depositing the same in the United States mail, postpaid and certified or registered and addressed to the party to be notified, with return receipt requested, or by federal express or other nationally recognized overnight delivery service or by delivering the same in person to such party, or, if the party or parties to be notified be incorporated, to an officer of such party. Notice deposited in the United States mail in the manner hereinabove described shall be effective, unless otherwise stated in this Lease, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For purposes of notice the addresses of the parties shall, until changed as herein provided, be:

If to Landlord:	2600 Brixmaster, L.P. 750 Holiday Drive, Suite 570 Pittsburgh, PA 15220
With a copy to:	Jonathan P. Altman, Esq. Sherrard, German & Kelly, P.C. 535 Smithfield Street, Ste. 300 Pittsburgh, PA 15222
Tenant:	The Pennsylvania Cyber Charter School 652 Midland Avenue Midland, PA 15059 Attn: Dr. Michael Conti

However, the parties hereto and their respective heirs, successors, legal representatives and assigns shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any address within the continental United States, by at least fifteen (15) days' written notice to the other party.

ARTICLE XXII

WAIVER OF CLAIMS

Section 22.1. Waiver of Claims. Landlord and Landlord's agents, servants and employees shall not be liable for, and Tenant hereby releases Landlord, its agents, servants and employees from, all liability in connection with any and all loss of life, personal injury, damage to or loss of property, or loss or interruption of business occurring to Tenant, its agents, servants, employees, invitees, licensees, or visitors, in or about or arising out of, in or upon the Demised Premises, or the Building, including, without limitation: (a) any fire, other casualty, accident, occurrence or condition; (b) any defect in or failure of (i) plumbing, sprinkling, electrical, heating or air conditioning systems or equipment, or any other systems and equipment, and (ii) the stairways, railings or walkways; (c) any steam, gas, oil, water, rain, frost, ice, snow or flooding that may leak into, issue or flow from any part of the Demised Premises or the Building from the drains, pipes or plumbing, sewer or other installation of same, or from any other cause, place or quarter; (d) the breaking or disrepair of any services, installations and equipment; (e) the falling of any fixtures or any wall or ceiling materials; (f) broken or dislodged glass; (g) patent or latent defects; (h) the carrying out of any construction work or repairs; (i) the exercise of any right by Landlord under the terms of this Lease; (j) any acts or omissions of the other tenants or occupants or users; (k) any acts or omissions of other persons; (l) any acts or omissions of Landlord, its agents, servants, employees or third party contractors excepting those described below; and (m) theft, act of God, public enemy, injunction, riot, strike, labor disputes, public demonstrations, insurrection, war, court order, or any order of any Governmental Authorities having jurisdiction over the Demised Premises; except that notwithstanding the foregoing, Landlord and its agents, servants and employees shall be liable for any loss or damage caused in material part (whether directly or indirectly) by or due to the willful, reckless, illegal or grossly negligent acts or omissions of Landlord and its servants, agents or employees.

Section 22.2 Landlord and Tenant Act. Tenant expressly waives to Landlord the benefit of Act No. 20, approved April 6, 1959, entitled "The Landlord and Tenant Act of 1951" requiring notice to vacate the Demised Premises at the end of the Term and covenants and agrees to give up quiet and peaceable possession, without further notice from Landlord.

ARTICLE XXIII MISCELLANEOUS PROVISIONS

Section 23.1. Compliance with Laws and Ordinances by Tenant. Tenant agrees that it will, at its sole cost and expense, promptly fulfill and comply with all Applicable Laws of the City, County, State and Federal Governments and any and all departments thereof having jurisdiction over the Building or the Common Areas, and of the National Board of Fire Underwriters or any other similar body now or hereafter constituted, affecting Tenant's use of the Demised Premises or the business conducted therein.

Section 23.2. Representation by Landlord. Landlord represents that, as of the Delivery Date, the Demised Premises shall comply with applicable zoning, land use codes and regulations.

Section 23.3. Governing Law. This Lease shall be governed exclusively by the provisions hereof and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, with exclusive jurisdiction to adjudicate all claims or controversies arising hereunder residing in the courts and tribunals of said Commonwealth.

Section 23.4. Representation by Corporate Tenant. In the event Tenant hereunder shall be a corporation, the parties executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly qualified corporation authorized to do business in the Commonwealth of Pennsylvania, that all franchise and corporate taxes have been paid to date and that all future forms, reports, fees and other

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documents necessary to comply with Applicable Laws and to remain qualified to do business in said Commonwealth will be filed when due.

Section 23.5. Headings and Index. Section headings and the index to this Lease are for convenience and reference only. The words contained therein shall in no way be held to explain, modify or aid in the interpretation, construction or meaning of any provision of this Lease.

Section 23.6. Partial Invalidity. If any term or provision of this Lease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 23.7. Successors and Assigns. Except as herein otherwise expressly provided, the terms hereof shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns, respectively, of Landlord and Tenant. The above reference to successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant, but has reference only to those instances in which Landlord may give written consent to a particular assignment.

Section 23.8. When Lease Becomes Binding. Employees or agents who are not officers of Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection therewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Demised Premises, and this document shall become effective and binding only upon the execution and delivery hereof by officers of both Landlord and Tenant.

Section 23.9. Other Leases and Tenants. Subject to Section 8.7 above, Landlord reserves the absolute right to effect such other tenancies in the Building as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interest of the Building. This Lease is and shall be considered to be the only agreement between the parties hereto and their representatives and agents.

Section 23.10. Examination of Lease by Tenant. Tenant represents and warrants to Landlord that both Tenant and Tenant's attorney have examined this Lease carefully and that Tenant has been advised, and is fully aware, of the legal effects and consequences of this Lease.

Section 23.11. Other Tenants. In the event Landlord in the exercise of its sole discretion shall effect other tenancies in the Building, Tenant shall not be deemed to be a beneficiary of any agreement between Landlord and such other tenants. Tenant shall have no right whatsoever, either express or implied, under any such agreement between Landlord and such other tenants or under any of the terms or provisions of such agreements, and Tenant shall have no right to enforce any such agreements or terms on behalf of itself or any other party including Landlord.

Section 23.12. No Partnership. Landlord shall in no event be construed, held or become in any way or for any purpose a partner, associate or joint venturer of Tenant or any party associated with Tenant in the conduct of its business or otherwise.

Section 23.13. Effective Date. This Lease may be executed on different dates by the parties hereto, but shall be considered effective as of the date set forth on the first page hereof.

Section 23.14. Counterparts; Facsimile. This Lease may be executed in any number of counterparts, and by each of the parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all of which shall constitute but one and the same instrument. Delivery of an

executed counterpart of this Lease by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Lease. Any party delivering an executed counterpart of this Lease by telefacsimile shall also deliver a manually executed counterpart of this Lease, but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability or binding effect of this Lease.

Section 23.15. Patriot Act. Tenant represents that neither Tenant nor its constituents or affiliates are in violation of any Governmental Rules relating to terrorism or money laundering, including the Executive Order and/or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107 56, the "Patriot Act").

Section 23.16. Use Restrictions Related to the Federal Historic Preservation Tax Incentives Program. Tenant acknowledges that Building is financed, in part, through the Federal Historic Preservation Tax Incentives Program (the "FHPTI Program") established under Section 170(h) of the Internal Revenue Code. Tenant agrees that its use of the Demised Premises shall comply with all requirements of the FHPTI Program (as such requirements may be amended from time to time).

Section 23.17. Storage Space. During the Term and provided that Tenant is not in default of any of the terms of this Lease, Tenant shall have the right to use storage space in the basement of the Building, in its "as-is" condition, in a location to be mutually agreed upon by Landlord and Tenant (the "Storage Space"). Tenant shall pay Landlord rent for the Storage Space in the amount of Five Dollars (\$5.00) per square foot for each month it is in use during the Term. All of the terms and conditions of this Lease shall apply to Tenant's use of the Storage Space to the same extent that they apply to the Demised Premises, including Tenant's surrender obligations, except that Tenant's use of the Storage Space shall be for storage use only. If Tenant intends to install, operate or maintain any heavy item of equipment in the Storage Space that would affect the structural support of the Storage Space, Tenant shall, prior to such installation, engage an engineering firm to prepare a structural engineering report, in form and substance satisfactory to Landlord, which addresses the impact of such equipment on the structural support and any proposed structural reinforcements necessary to properly support such equipment. Tenant shall be responsible for all costs associated with any structural reinforcements or changes to the structure of the Building required in order to properly support any heavy item of equipment to be installed in the Storage Space.

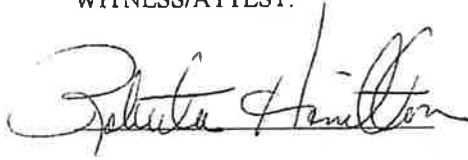
Section 23.18. Parking. Tenant shall have the right to lease three (3) outdoor parking spaces in the rear lot of the Building, subject to the Rules and Regulations and on a non-exclusive, unreserved basis, at the monthly charge per space set forth in the Summary above, such amount to be paid by Tenant to Landlord as Additional Rent at the times and in the manner set forth for the payment of Base Rent. Tenant shall be liable for any loss or damage to the parking garage or vehicles parked therein to the extent caused (whether directly or indirectly) by or due to the willful, reckless or negligent acts or omissions of Tenant and its designees. In no event shall Tenant or any of its agents park in any loading area serving the Building. Tenant shall not be entitled to any compensation or diminution or abatement of rent in the event Landlord shall at any time change or diminish the size, area, location, type or arrangement of the parking facilities described herein, nor shall any such change or diminution be deemed a constructive or actual eviction.

Section 23.19. Integration. This Lease: (i) supersedes all prior negotiations, representations, understandings and agreements of, by or between the parties, which are fully merged herein; (ii) contains the entire agreement of the parties; and (iii) may not be changed or amended except by a written instrument duly executed by the party sought to be bound.

[SIGNATURE PAGE FOLLOWS]

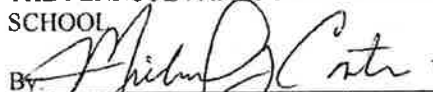
WITNESS the due execution of these presents by duly qualified and authorized officers or representatives of each party, in duplicate originals, as of the day and year first above written.

WITNESS/ATTEST:


Patricia Hamilton

TENANT:

THE PENNSYLVANIA CYBER CHARTER
SCHOOL

By: 
Name: Michael J. Conti
Title: CEO

WITNESS/ATTEST:


Charrie Rubin

LANDLORD:

2600 BRIXMASTER, L.P.

By: 2600 Master Tenant GP LLC,
its general partner

By: TCB Legacy Trust

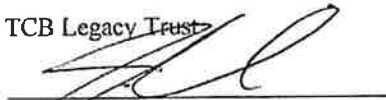

James D. Scalo, Trustee

EXHIBIT A

Legal Description of the Property

ALL THAT CERTAIN lot or parcel of land, being Lot 1 in the 2600/2700 East Carson Street Plan of Lots, as recorded in the Allegheny County Department of Real Estate in Plan Book Volume 269, page 105, situate in the 16th Ward, City of Pittsburgh, Allegheny County, Pennsylvania, more particularly bound and described as follows:

BEGINNING at a point at the intersection of the southerly right of way line of East Carson Street, State Route No. 0837, variable width, and the easterly right of way line of South 26th Street, 60.07 feet wide; thence from said point of beginning by the southerly right of way line of said East Carson Street, South 70° 30' 00" East, a distance of 144.05 feet to a point on the line dividing Lot 1 and Lot 2 in the 2600/2700 East Carson Street Plan of Lots, as recorded in the Allegheny County Department of Real Estate in Plan Book Volume 269, page 105; thence by the line dividing Lot 1 and Lot 2 in said 2600/2700 East Carson Street Plan of Lots, South 19° 30' 00" West, a distance of 264.30 feet to a point on the northerly right of way line of Sarah Street, 60.07 feet wide; thence by the northerly right of way line of Sarah Street, North 70° 30' 00" West, a distance of 144.05 feet to a point on the easterly right of way line of said South 26th Street; thence by the easterly right of way line of said South 26th Street, North 19° 30' 00" East, a distance of 264.30 feet to a point at the intersection of the southerly right of way line of said East Carson Street and the easterly right of way line of said South 26th Street, at the point of beginning.

TOGETHER with appurtenant easement rights created by the Reciprocal Easement and Operating Covenant Agreement by and between Aldi Inc. (Pennsylvania), a Pennsylvania corporation, and 2600 Southside Associates, L.P., a Pennsylvania limited partnership, filed for record December 16, 2010, as Instrument No. 2010-33032, Deed Book Volume 14457, page 83 in the Allegheny County Department of Real Estate.

This description was prepared in accordance with the ALTA/ACSM Land Title Survey made for Burns and Scalo Real Estate Services, Inc., by The Gateway Engineers, Inc., dated August, 2010, and last revised December 21, 2011.

BEING designated as Block and Lot No. 12-M-36 in the Deed Registry Office of Allegheny County, Pennsylvania.

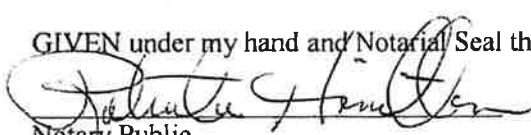
BEING part of the same property conveyed to 2600 Southside Associates, L.P., a Pa. limited partnership, by virtue of a Deed from Goodwill Industries of Pittsburgh, dated February 5, 2010, and recorded February 9, 2010, in the Office of the Department of Real Estate of Allegheny County, Pennsylvania, in Deed Book Volume 14175, page 78.

LESSEE ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF Beaver) SS.:

I, ROBERTA HAMILTON, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Michael Conti, the CEO of the within named THE PENNSYLVANIA CYBER CHARTER SCHOOL, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer and to me personally known to be such officer of said corporation, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and deed of said corporation, for the uses and purposes therein set forth, as his own free and voluntary act, and as the free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 17th day of March 2015.


Notary Public

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Roberta Hamilton, Notary Public
Midland Boro, Beaver County
My Commission Expires Nov. 16, 2018
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES



LESSOR ACKNOWLEDGMENT:

COMMONWEALTH OF PENNSYLVANIA)
)
) SS.:
COUNTY OF ALLEGHENY)

I, Anissa J Eckert, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James D. Scalo, the Trustee of 2600 Master Tenant GP LLC (the "Managing Partner"), the managing partner of the within named 2600 BRXMASTER, L.P., personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Trustee of the Managing Partner, and to me personally known to be such officer of said limited liability company, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and deed of said limited liability company, for the uses and purposes therein set forth, as his own free and voluntary act, and as the free and voluntary act, and as the free and voluntary act and deed of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 23rd day of March 2015.

Anissa J Eckert

Notary Public

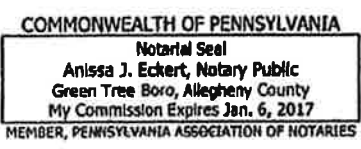
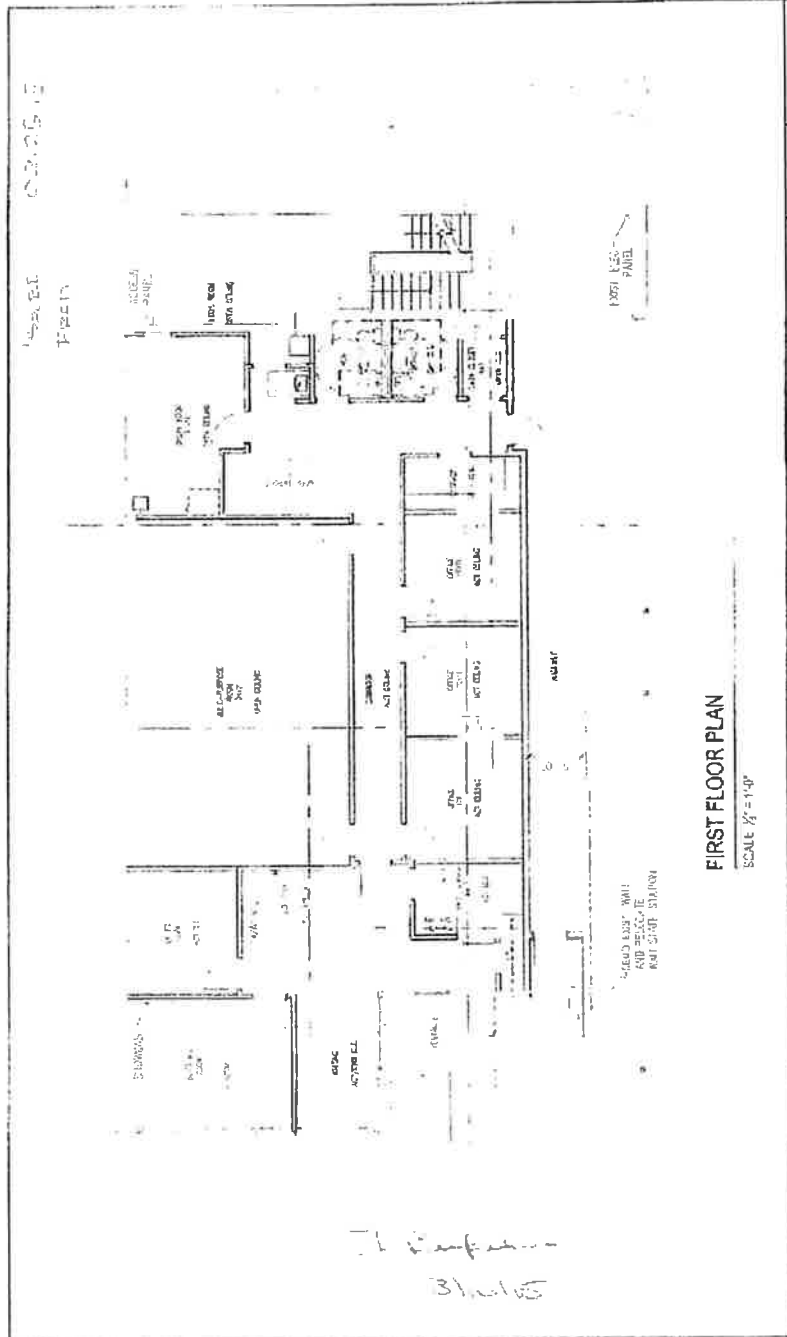
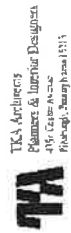


EXHIBIT A
PROPOSED SITE PLAN



FIRST FLOOR PLAN

SCALE 1/4" = 1'-0"



PENNSYLVANIA CYBER CHARTER SCHOOL
AT THE BRIX AT 26
FOR BURNS & SCALO REAL ESTATE

SCALE 1/4" = 1'-0"
DATE 02.23.15

A-1

EXHIBIT B
TENANT IMPROVEMENTS

The following is an exhaustive list of all “**Tenant Improvements**” for which the Landlord shall be responsible for constructing in accordance with Section 2.2 of the Lease:

1. Existing Plaster Walls & Columns are to be patched and painted;
2. Interior Partitions will be 3 5/8” metal studs w/ one layer of 5/8” drywall on both sides. Drywall will be taped & finished to a level-4 finish;
3. Typical Non-Acoustical Rated Interior Partitions will terminate six (6) inches above the ceiling line;
4. Sound Rated Partitions will be full height to the underside of the ceiling deck; acoustical batt insulation shall fill the stud cavity. Class Rooms and Offices will have sound rated partitions;
5. Interior Doors Frames will be painted hollow metal frames;
6. Interior Doors will be pre-finished solid core pre-hung door;
7. Interior Door Hardware will be typical lever type handle sets. Privacy and passage handle sets will be coordinated with the architect;
8. Vision Glass will be placed on all interior doors at each Classroom;
9. Ceilings will be a combination of suspended acoustical track and hard drywall;
10. Flooring package will be as per the Finish Schedule;
11. Painting will include 1-primer coat and 2-finish coats on all walls, hard ceilings, doors frames;
12. Furnish and install code required fire extinguisher cabinets, restroom accessories, signage, etc.;
13. Tenant identification or directory signage is not included;
14. Casework includes plastic laminate Kitchenette & Copy Room cabinetry and plastic laminate window sills;
15. Kitchenette and Copy Room Countertops will be solid surface with an Allowance given;
16. Fire Suppression will be a code compliant complete and operational system;
17. Plumbing will include a completed code compliant system to accommodate 2-Restrooms and 1-Kitchenette;
18. HVAC will include a complete operational system;
19. Electrical will include a complete operational system;
20. Light fixtures will include drop-in, pendent and recessed type fixtures; and
21. Electrical is to provide open conduits for the Tenants security, data, communication and AV packages.

All items not included in items 1-21 above shall be excluded from the “**Tenant Improvements**”. For the sake of clarity (and without limiting the scope of the foregoing sentence), the following items are excluded from the scope of the “**Tenant Improvements**”:

- A. Moveable partition;
- B. Greeter’s/Reception desk;
- C. Solid surface countertops (Landlord will only to provide plastic laminate countertops);
- D. Appliances;
- E. Furniture;

- F. IT and communications equipment, infrastructure, etc. (e.g., voice and data items);
- G. Audio and video (“AV”) equipment, infrastructure, etc.;
- H. Security equipment, infrastructure, etc.;
- I. Interior signage (Landlord will only provide signage that is required by the Pittsburgh Code);
- J. Exterior signage; and
- K. Logos.

EXHIBIT C
DELIVERY DATE MEMORANDUM

Building Name/Address: 2600 East Carson Street, Pittsburgh, Pennsylvania 15203
Landlord: 2600 Brixmaster, L.P.
Demised Premises: Approximately 3,337 rentable square feet of retail space located on the first floor of the Building
Lease Dated: March ____, 2015

Ladies and Gentlemen:

As a representative of the above referenced tenant, I/we have physically inspected the space noted above with _____, a representative of 2600 Brixmaster, L.P. I/we accept the space as to compliance with all the requirements indicated in our Lease. I/we also verify the following information below*:

Delivery Date: _____, 2015.

Rent Commencement Date: August 1, 2015.

Expiration Date: July 31, 2020.

Punch List Work:

NOTE: This inspection is to be made prior to Tenant's move-in.

Very truly yours,

THE PENNSYLVANIA CYBER CHARTER
SCHOOL

By: _____

Name: _____

Title: _____

Date: _____

* All capitalized terms shall have the meaning set forth in the Lease.

** If the terms of this Delivery Date Memorandum are inconsistent with the Lease, the Lease shall control.

EXHIBIT D
RULES AND REGULATIONS

Tenant and Tenant's servants, employees, agents, visitors and licensees shall observe faithfully, and comply strictly with, these Rules and Regulations and such other and further reasonable Rules and Regulations as Landlord may from time to time adopt.

1. The entrances, passages, common areas, sidewalks, elevator (if any), vestibules, stairways, corridors or halls shall not be obstructed or encumbered by Tenant or used for any purpose other than ingress and egress to and from the Demised Premises.

2. All loading and unloading of merchandise shall be done only at such times in the areas, and through the entrances, designated for such purposes by Landlord. All deliveries must be delivered immediately and directly to Tenant's space and cannot be left in any Common Area or core area.

3. Landlord retains in all cases the right to prescribe the method and manner in which any merchandise, furniture, iron safe or heavy or bulky object shall be brought in or taken out of the Building, and the hours at which the same shall be done, and further retains the right to limit and prescribe the weight, size and proper position thereof, and all damage done to the Building by the bringing in or taking out thereof, or by reason of the presence thereof in the Building, shall be made good and immediately paid by Tenant by, through or under whom said damage may have been done.

4. The delivery or shipping of merchandise, supplies and fixtures to and from the Demised Premises shall be at such times and subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Demised Premises or the Building.

5. No radio or television or other similar device which can be heard outside of the Demised Premises shall be installed without first obtaining, in each instance, Landlord's consent in writing and first having the required licenses therefor.

6. Tenant shall not occupy or permit any portion of the Demised Premises to be occupied or used for any purpose other than those specified in this Lease.

7. No show cases or other articles shall be placed in the common areas halls, or corridors without the prior written consent of Landlord.

8. The water and wash closets and other plumbing fixtures shall not be used for any purpose 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 servants, employees, agents, visitors or licensees, shall have caused the same.

9. 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 Demised Premises or Building without the prior written consent of Landlord, which consent shall not be unreasonably withheld. In the event of the violation of the foregoing by any tenant, the expense incurred by such removal shall be charged to the tenant or tenants violating this rule.

10. Landlord shall have the right to prohibit any advertising by any tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as a location for a retail store or office, and upon written notice from Landlord, tenant shall refrain from or discontinue such advertising.

11. Canvassing, soliciting, peddling, passing out handbills or free samples of merchandise in the Building and on the adjoining sidewalks or streets are prohibited without the written consent of Landlord, which consent shall not be unreasonably withheld.

12. No tenant, nor any of tenant's servants, employees, agents or licensees, shall at any time bring or keep upon the Demised Premises any flammable, hazardous, combustible, or explosive fluid, chemical or substance, or any other articles of an intrinsically dangerous nature.

13. Tenant shall not place objects of any kind, such as stickers or decals around, on, or behind glass partitions, windows or doors, without Landlord's prior consent.

14. No tenant, or its employees, or other persons, shall go upon the roof of the Building without the written consent of Landlord.

15. No animals or birds of any kind shall be brought into or kept in or about the Demised Premises, and no cooking shall be done or permitted by any tenant on said Demised Premises except as authorized by the lease of Tenant and which shall be in accordance with all applicable fire codes. No tenant shall cause or permit any unduly objectionable odors to be produced upon or permeate from the Demised Premises.

16. Tenant shall not use its Demised Premises for the sale of merchandise, goods, or property of any kind at auction, nor shall any Tenant permit the sale of lottery tickets, for charity or otherwise without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

17. Tenant must, upon the termination of its tenancy, restore to Landlord all keys either furnished to, or otherwise procured by, Tenant, and in the event of the loss of any keys, Tenant shall furnish and install new locks, the same shall be at Tenant's expense, including the cost of new keys and/or locks for other tenants.

18. All garbage, rubbish and refuse shall be placed by Tenant as designated from time to time by Landlord, and at the times specified by Landlord.

19. Tenant shall keep the lights in its retail area lit during the normal business hours of the Building.

20. Tenant shall not mark, paint, drill into, or in any way deface any part of the Demised Premises or the Building of which it forms a part without the consent of Landlord.

21. Tenant shall be responsible for the observance of these rules and regulations by Tenant's employees, agents, clients, customers, invitees and guests.

NOTHING IN THE LEASE OR IN THESE RULES AND REGULATIONS SHALL BE CONSTRUED TO IMPOSE UPON LANDLORD ANY DUTY OR OBLIGATION TO ENFORCE THE RULES AND REGULATIONS OR TERMS, COVENANTS OR CONDITIONS IN THIS OR ANY OTHER LEASE, AS AGAINST ANY OTHER TENANT AND LANDLORD SHALL NOT BE LIABLE TO TENANT FOR VIOLATION OF THE SAME BY ANY OTHER TENANT, ITS SERVANTS, EMPLOYEES, AGENTS, VISITORS OR LICENSEES.

EXHIBIT E
SUBORDINATION, NON-DISTURBANCE
AND ATTORNMMENT AGREEMENT

[See attached.]

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is made as of this ____ day of _____, 2015, by and between 2600 BRIXMASTER, L.P. ("Owner" or "Lessor"), as lessor under the Lease (as defined below), and THE PENNSYLVANIA CYBER CHARTER SCHOOL ("Operator" or "Lessee"), lessee under the aforementioned Lease, in favor of BELLWETHER ENTERPRISE REAL ESTATE CAPITAL, LLC ("FHA Lender"), the owner and holder of the Mortgage (as defined below).

WITNESSETH:

WHEREAS, Lessor has executed that certain Mortgage with Assignment of Rents, dated as of December 28, 2011, (the "Mortgage"), in favor of FHA Lender and covering certain real property (the "Property") located in the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, with a legal description as set forth in Exhibit A attached hereto and incorporated herein by this reference, and covering the improvements situated thereon (the "Improvements"); and

WHEREAS, Lessor and Lessee entered into that certain unrecorded Lease Agreement dated March ____, 2015 (as the same may be amended from time to time, the "Lease"), covering the Improvements for the term and upon the conditions set forth therein; and

WHEREAS, the parties hereto now desire to enter into this Agreement to establish certain rights and obligations with respect to their interests, and to provide for various contingencies as hereinafter set forth.

NOW, THEREFORE, in consideration for the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and of the mutual benefits to accrue to the parties hereto, it is hereby declared, understood and agreed that the Lease, all terms and conditions set forth in the Lease, the leasehold interests and estates created thereby, and the priorities, rights, privileges and powers of Lessee and Lessor there under shall be and the same are hereby, and with full knowledge and understanding of the effect thereof, unconditionally made subject and subordinate to the lien and charge of the Mortgage, all terms and conditions contained therein, any renewals, extensions, modifications or replacements thereof, and the rights, privileges and powers of the trustee and FHA Lender there under, and shall hereafter be junior and inferior to the lien and charge of the Mortgage. The parties further agree as follows:

1. It is expressly understood and agreed that this Agreement shall supersede, to the extent inconsistent herewith, the provisions of the Lease relating to the subordination of the Lease and the leasehold interests and estates created thereby to the lien or charge of the Mortgage.
2. FHA Lender consents to the Lease.

3. In the event FHA Lender or any other purchaser at a foreclosure sale or sale under private power contained in the Mortgage, or by acceptance of a deed in lieu of foreclosure, succeeds to the interest of Lessor under the Lease by reason of any foreclosure of the Mortgage or the acceptance by FHA Lender of a deed in lieu of foreclosure, or by any other manner, it is agreed as follows:
 - (a) Lessee shall be bound to FHA Lender or such other purchaser under all of the terms, covenants and conditions of the Lease for the remaining balance of the term thereof, with the same force and effect as if FHA Lender or such other purchaser were the lessor under such Lease, and Lessee does hereby agree to attorn to FHA Lender or such other purchaser as its lessor, such attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties to this Agreement, immediately upon FHA Lender or such other purchaser succeeding to the interest of Lessor under the Lease.
 - (b) Subject to the observance and performance by Lessee of all the terms, covenants and conditions of the Lease on the part of the Lessee to be observed and performed, FHA Lender or such other purchaser shall recognize the leasehold estate of Lessee under all of the terms, covenants and conditions of the Lease for the remaining balance of the term (as the same may be extended in accordance with the provisions of the Lease) with the same force and effect as if FHA Lender or such other purchaser were the lessor under the Lease and the Lease shall remain in full force and effect and shall not be terminated, except in accordance with the terms of the Lease or this Agreement; *provided, however*, that FHA Lender or such other purchaser shall not be (i) liable for any act or omission of Lessor or any other prior lessor, (ii) obligated to cure any defaults of Lessor or any other prior lessor under the Lease which occurred prior to the time that FHA Lender or such other purchaser succeeded to the interest of Lessor or any other prior lessor under the Lease, (iii) subject to any offsets or defenses which Lessee may be entitled to assert against Lessor or any other prior lessor, (iv) bound by any payment of rent or additional rent by Lessee to Lessor or any other prior lessor for more than one (1) month in advance, (v) bound by any amendment or modification of the Lease made without the written consent of FHA Lender or such other purchaser, or (vi) liable or responsible for or with respect to the retention, application and/or return to Lessee of any security deposit paid to Lessor or any other prior landlord, whether or not still held by Lessor, unless and until FHA Lender or such other purchaser has actually received for its own account as lessor the full amount of such security deposit.
4. Lessee hereby agrees that it will not exercise any right granted it under the Lease, or which it might otherwise have under applicable law, to terminate the Lease on account of a default of Lessor there under or the occurrence of any other event

without first giving to FHA Lender prior written notice of its intent to terminate, which notice shall include a statement of the default or event on which such intent to terminate is based. Thereafter, Lessee shall not take any action to terminate the Lease if FHA Lender (a) within thirty (30) days after service of such written notice on FHA Lender by Lessee of its intention to terminate the Lease, shall cure such default or event if the same can be cured by the payment or expenditure of money, or (b) shall diligently take action to obtain possession of the leased premises (including possession by receiver) and to cure such default or event in the case of a default or event which cannot be cured unless and until FHA Lender has obtained possession, but in no event to exceed ninety (90) days after service of such written notice on FHA Lender by Lessee of its intention to terminate.

5. Lessor and Lessee hereby certify to FHA Lender that the Lease as previously submitted to FHA Lender has not been further amended as of the date hereof.
6. For the purposes of facilitating FHA Lender's rights hereunder, FHA Lender shall have, and for such purposes is hereby granted by Lessee and Lessor, the right to enter upon the Property and the Improvements thereon for the purpose of affecting any cure for any Event of Default (as defined in the Lease).
7. Lessee hereby agrees to give to FHA Lender, concurrently with the giving of any notice of any Event of Default under the Lease, a copy of such notice by mailing the same to FHA Lender in the manner set forth herein below, and no such notice given to Lessor which is not at or about the same time also given to FHA Lender shall be valid or effective against FHA Lender for any purpose.
8. Subordination of Lease to Mortgage and Regulatory Agreements and Regulation by the U.S. Department of Housing and Urban Development ("HUD").
 - (a) The Lease and all estates, rights, options, liens and charges therein contained or created under the Lease are and shall be subject and subordinate to the lien or interest of (i) the Mortgage on the Lessor's interest in the Property in favor of FHA Lender, its successors and assigns insofar as it affects the real and personal property comprising the Property (and not otherwise owned, leased or licensed by Lessee) or located thereon or therein, and to all renewals, modifications, consolidations, replacements and extensions thereof, and to all advances made or to be made there under, to the full extent of amounts secured thereby and interest thereon, and (ii) that certain Regulatory Agreement for Multifamily Housing Projects between Lessor and HUD to be recorded against the Property.
 - (b) The parties to the Lease agree to execute and deliver to FHA Lender and/or HUD such other instrument or instruments as the FHA Lender and/or HUD, or their respective successors or assigns, shall reasonably request from time to time to re-confirm the status of the Lease and to effect and/or confirm the subordination of the Lease to the lien of the Mortgage and the above-

described Regulatory Agreements. To the extent that any provision of the Lease shall be in conflict with the HUD Program Obligations (as such term is defined below), the HUD Program Obligations shall be controlling.

- (c) In the event HUD, at a foreclosure sale or sale under private power contained in the Mortgage, or by acceptance of a deed in lieu of foreclosure, succeeds to the interest of Lessor under the Lease by reason of any foreclosure of the Mortgage or the acceptance by HUD of a deed in lieu of foreclosure, or by any other manner, it is agreed as follows:
 - (i) HUD can terminate the Lease for any Event of Default that is not cured within any applicable notice and cure period given in the Lease.
 - (ii) As used in this Agreement "HUD Program Obligations" shall mean all applicable statutes and regulations, including all amendments to such statutes and regulations, as they become effective, and all applicable requirements in HUD Handbooks, Notices and Mortgagee Letters that apply to the Property, including all updates and changes to such Handbooks, Notices and Mortgagee Letters that apply to the Property, except that changes subject to notice and comment rulemaking shall become effective upon completion of the rulemaking process.
- (d) To the extent there is any inconsistency between the terms of this Agreement and the Lease, the terms of this Agreement shall be controlling.

9. For purposes of any notices to be given to FHA Lender hereunder, the same shall be sent by U.S. certified mail, return receipt requested, postage prepaid, to FHA Lender at the following address:

Bellwether Enterprise Real Estate Capital, LLC
1360 E. 9th Street, Suite 300
Cleveland, OH 44114

or to such other address as FHA Lender may hereafter notify Lessee in writing by notice sent to Lessee as aforesaid at Lessee's address at the Property, or such other address as FHA Lender may hereafter be advised of in writing by notice sent to FHA Lender as aforesaid.

- 10. The agreements contained herein shall run with the land and shall be binding upon and inure to the benefit of the respective heirs, administrators, executors, legal representatives, successors and assigns of the parties hereto.
- 11. This Agreement may be executed in one or more counterparts, all of which when taken together shall constitute a single instrument.

12. This Agreement shall, in all respects, be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

[SEE ATTACHED SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be duly executed as of the day and year first above written.

LESSEE:

THE PENNSYLVANIA CYBER CHARTER SCHOOL

By: 
Name:
Title:

FHA LENDER:

BELLWETHER ENTERPRISE REAL ESTATE CAPITAL, LLC

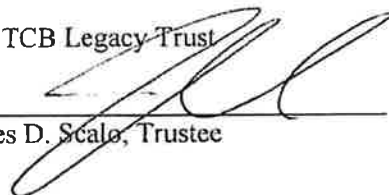
By: _____
Name:
Title:

The Lessor consents to the execution and delivery of this Agreement and agrees to be bound by the provisions of this Agreement:

LESSOR:

2600 BRIXMASTER, L.P.

By: 2600 Master Tenant GP LLC,
its managing partner

By: TCB Legacy Trust

James D. Scalzo, Trustee

FHA IDENTITY OF INTEREST CERTIFICATION

What is an "Identity of Interest"?

FHA defines an "identity of interest" as any relationship where the purchaser and seller are related, and/or affiliated through a business relationship. This could, for example, be parent/child as buyer/seller, corporation selling to an employee, persons who are partners in other projects as buyer/seller. FHA restricts the loan to value on such loans to 75% of the lesser of the property value plus closing costs or acquisition cost for investor properties/non-occupying co-borrower transactions; or 85% of the lesser of the property value plus closing costs or acquisition cost for owner occupied properties.

We hereby certify, on behalf of 2600 Brixmaster, L.P. (the "Landlord") and its affiliates and The Pennsylvania Cyber Charter School (the "Proposed Tenant"), that the Landlord and its affiliates do not have an "identity of interest" with the Proposed Tenant at the property that the Landlord's affiliate has purchased with FHA financing.

WARNING: Our signature(s) below indicate that we fully understand that it is a federal Crime punishable by fine, imprisonment or both to knowingly make any false statements concerning any of the above facts as applicable under the provision of Title 18, United States Code, Section 1012 and 1014.

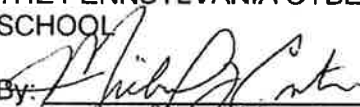
We have received a copy of this disclosure:

DATE:

5-17-15

PROPOSED TENANT:

THE PENNSYLVANIA CYBER CHARTER
SCHOOL

By: 
Name: Michael S. Crute
Title: CEO

DATE:

3-23-15

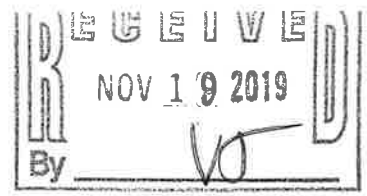
LANDLORD:

2600 BRIXMASTER, L.P.

By: 2600 Master Tenant GP LLC,
its general partner

By: TCB Legacy Trust


James D. Scalo, Trustee



ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE (the "**Certificate**"), is executed this 8th day of November, 2019, by THE PENNSYLVANIA CHARTER SCHOOL, a Pennsylvania nonprofit corporation ("**Tenant**") in favor of 2600 SOUTHSIDE ASSOCIATES, L.P., a Pennsylvania limited partnership, or any successor and/or assign who acquires the Property or the interest in the owner of the Property (collectively, "**Owner**"); and any lender making a loan secured by the Property, and their successors and/or assigns (collectively, "**Lender**").

RECITALS:

Tenant is the lessee under that certain lease executed between Tenant and 2600 Brixmaster, L.P., a Pennsylvania limited partnership ("**Landlord**"), dated March 17, 2015, as amended by that certain First Amendment to Lease Agreement dated as of June 28, 2018 (the lease and all amendments thereto are hereinafter referred to as the "**Lease**"), covering 3,337 square feet of leasable area on all or a portion of property legally described in Exhibit 1 attached hereto and made a part hereof (the "**Property**").

Tenant understands that Owner and Lender are relying on such warranties, representations and agreements as an inducement to enter into a transaction involving the Property.

NOW, THEREFORE, Tenant does hereby ratify the Lease and certify to Owner and Lender that, as of the date hereof:

1. Attached hereto on Exhibit 2 is a list of all documents constituting the Lease, including all amendments and modifications thereto, if any, and there are no other agreements between the Landlord and the Tenant regarding the Property. The Lease contains all of the understandings and agreements between Tenant and Landlord.

2. The Lease is in full force and effect and has not been amended, modified or extended except as shown on Exhibit 2.

3. The Lease does not contain any options to purchase and/or lease additional space, rights of set off, rights of first refusal to purchase and/or lease additional space or any similar provisions regarding acquisition of ownership interests or additional leased space in the building except as follows: None.

4. The term of the Lease commenced on August 1, 2015, and will expire on June 30, 2025. Under the Lease, Tenant has the right to extend the Lease one (1) time(s) for sixty (60) month(s) each.

5. The current monthly rent payment under the Lease is \$8,222.92. Rent has been paid through October 31, 2019. No advance rents have been prepaid except for the current month. Tenant has no agreement with Landlord concerning advance rent, free rent, partial rent, rebate of rental payments or any other type of rental concession. In addition to the foregoing, Tenant leases four (4) outdoor parking spaces in the rear of the Property at a monthly charge equal to \$75.00 per space and Tenant has paid such charges through October 31, 2019.

6. In addition to monthly rent payments, Tenant pays its Pro Rata Share of Landlord's Insurance, Operating Expenses and Real Estate Taxes as set forth in the Lease.

7. The improvements described in the Lease have been completed and accepted by Tenant and Landlord has no further obligations to make any improvements to the premises or to grant Tenant any allowance or other payment for any improvement of the premises.

8. The security deposit under the Lease is currently \$10,567.17.

9. Tenant has not sublet any portion of the leased premises or assigned any of its rights under the Lease.

10. Tenant is open for business and is in full and complete possession of the premises demised under the Lease, such possession having been delivered by the Landlord pursuant to the Lease and having been accepted by the Tenant.

11. Tenant has no existing claims, defenses or offsets under the Lease against Landlord, no uncured default by Landlord exists under the Lease, and no event has occurred that would, except for the lapse of time, the giving of notice or both, constitute a default.

12. No cancellation, modification, amendment, extension, or assignment of the Lease, and no subletting or prepayment of more than one month's rent shall be made without Landlord's prior written consent.

13. Tenant is not in default under the Lease.

14. In connection with its use and occupancy of the Property, Tenant is not and will not become engaged in the production, treatment, release or storage of hazardous or toxic substances which pose a substantial risk of imminent damage to public health or safety or to the environment.

15. Tenant has received no notice of prior sale, transfer, assignment, hypothecation or pledge of the said Lease or of the rents secured therein, except to above described Lender.

16. If Lender or its designee succeeds to Landlord's interest in the Property or if a sale by power of sale or foreclosure occurs, Tenant shall attorn to Lender, its designee or a purchaser at such sale as its landlord.

17. Except (i) as set forth in Section 3(c) of the First Amendment to Lease Agreement dated as of June 28, 2018, (ii) to the extent contained in the Lease in connection with a casualty or condemnation and (iii) to the extent permitted by applicable law, Tenant has no right to terminate the Lease.

18. The person signing this Certificate on behalf of Tenant is a duly authorized representative of Tenant.

19. All exhibits attached hereto are by this reference incorporated fully herein and are true, correct and complete. The term "*Certificate*" shall be considered to include all such exhibits.

20. There are no actions, whether voluntary or involuntary or otherwise, pending against Tenant under the bankruptcy laws of the United States or any portion of its interest in the Property or the Lease.

21. This Certificate shall inure to the benefit of the Owner, the Lender, and their respective successors and assigns and shall be binding upon Tenant and its successors and assigns.

TENANT:

THE PENNSYLVANIA CHARTER SCHOOL,
a Pennsylvania nonprofit corporation

By: ERIC WOECFFER
Name: [Signature]
Its: Deputy Chief Operating Officer

Exhibit 1

Legal Description of the Property

ALL THAT CERTAIN lot or parcel of land, being Lot 1 in the 2600/2700 East Carson Street Plan of Lots, as recorded in the Allegheny County Department of Real Estate in Plan Book Volume 269, page 105, situate in the 16th Ward, City of Pittsburgh, Allegheny County, Pennsylvania, more particularly bound and described as follows:

BEGINNING at a point at the intersection of the southerly right of way line of East Carson Street, State Route No. 0837, variable width, and the easterly right of way line of South 26th Street, 60.07 feet wide; thence from said point of beginning by the southerly right of way line of said East Carson Street, South 70° 30' 00" East, a distance of 144.05 feet to a point on the line dividing Lot 1 and Lot 2 in the 2600/2700 East Carson Street Plan of Lots, as recorded in the Allegheny County Department of Real Estate in Plan Book Volume 269, page 105; thence by the line dividing Lot 1 and Lot 2 in said 2600/2700 East Carson Street Plan of Lots, South 19° 30' 00" West, a distance of 264.30 feet to a point on the northerly right of way line of Sarah Street, 60.07 feet wide; thence by the northerly right of way line of Sarah Street, North 70° 30' 00" West, a distance of 144.05 feet to a point on the easterly right of way line of said South 26th Street; thence by the easterly right of way line of said South 26th Street, North 19° 30' 00" East, a distance of 264.30 feet to a point at the intersection of the southerly right of way line of said East Carson Street and the easterly right of way line of said South 26th Street, at the point of beginning.

TOGETHER with appurtenant easement rights created by the Reciprocal Easement and Operating Covenant Agreement by and between Aldi Inc. (Pennsylvania), a Pennsylvania corporation, and 2600 Southside Associates, L.P., a Pennsylvania limited partnership, filed for record December 16, 2010, as Instrument No. 2010-33032, Deed Book Volume 14457, page 83 in the Allegheny County Department of Real Estate.

This description was prepared in accordance with the ALTA/ACSM Land Title Survey made for Burns and Scalo Real Estate Services, Inc., by The Gateway Engineers, Inc., dated August, 2010, and last revised December 21, 2011.

BEING designated as Block and Lot No. 12-M-36 in the Deed Registry Office of Allegheny County, Pennsylvania.

BEING part of the same property conveyed to 2600 Southside Associates, L.P., a Pa. limited partnership, by virtue of a Deed from Goodwill Industries of Pittsburgh, dated February 5, 2010, and recorded February 9, 2010, in the Office of the Department of Real Estate of Allegheny County, Pennsylvania, in Deed Book Volume 14175, page 78.

Exhibit 2

Lease Documents

1. Lease Agreement by and between Landlord and Tenant dated July 21, 2015.
2. First Amendment to Lease Agreement by and between Landlord and Tenant dated June 28, 2018.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "*Amendment*") is dated as of June 28, 2018 (the "*Effective Date*") by and between 2600 BRIXMASTER, L.P., a Pennsylvania limited partnership ("*Landlord*") and THE PENNSYLVANIA CYBER CHARTER SCHOOL, a Pennsylvania non-profit corporation doing business as "PA Cyber" ("*Tenant*").

RECITALS

A. Landlord and Tenant entered into that certain Lease Agreement dated as of July 21, 2015 (the "*Initial Lease*"), pursuant to which Landlord leased to Tenant certain Demised Premises consisting of approximately 3,337 rentable square feet of space (the "*Demised Premises*") located on the first (1st) floor of that certain building located at 2600 East Carson Street, Pittsburgh, Pennsylvania 15203 (the "*Building*"), as more particularly described therein.

B. The Initial Lease, as amended by this Amendment, is hereinafter referred to as the "*Lease*", and all references in the Initial Lease to the "*Lease*" are deemed to mean the Initial Lease as amended by this Amendment, as the same may be further amended.

C. Landlord and Tenant desire to modify certain provisions of the Initial Lease, in each case upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows, with the intent to be legally bound:

AGREEMENT

1. **EFFECT OF AMENDMENT.** The foregoing recitals are incorporated herein by reference. The Initial Lease remains in full force and effect, and except as specifically modified and amended hereby, all of the terms contained therein are ratified by, and remain binding upon, Landlord and Tenant. In case of any inconsistency between the provisions of the Initial Lease and the provisions of this Amendment, the provisions of this Amendment will govern and control. All rights and remedies of Landlord and Tenant under the Initial Lease shall continue and survive execution and delivery of this Amendment, except to the extent that any such rights or remedies are modified by the express terms of this Amendment. Capitalized terms used but not expressly defined in this Amendment have the respective meanings ascribed to such terms in the Initial Lease.

2. **CONDITION OF THE DEMISED PREMISES.** Tenant is currently in possession and occupancy of the Demised Premises and Tenant acknowledges that, except as otherwise expressly set forth in the Initial Lease, Landlord has no obligation and has made no promise to perform any alterations, repairs or improvements thereto (or to provide any payment therefor) or to any other portion of the Building. Tenant hereby acknowledges and agrees that no representations respecting the condition of the Demised Premises or the Building have been made by Landlord to Tenant, other than as may be expressly set forth in the Initial Lease. Tenant shall continue to occupy the Demised Premises in its current AS-IS, WHERE-IS condition existing as of the Effective Date and in accordance with the terms of the Lease.

3. **TERM EXTENSION; RENEWAL OPTION; EARLY TERMINATION.**

(a) **Term Extension.** Section 3.1 of the Initial Lease is hereby amended so that the Term of the Lease is extended and shall now expire on June 30, 2025 (the "***Expiration Date***"). Tenant's Option to renew the Lease for the Option Period remains in full force and effect as set forth below.

(b) **Renewal Option.** Section 3.2(a) of the Initial Lease is hereby deleted and replaced in its entirety with the following:

"(a) **Exercise of Option.** Provided that Tenant is not in default (beyond any applicable notice and cure period) pursuant to any of the terms or conditions of this Lease, Tenant shall have the option (the "***Option***") to renew this Lease for one (1) additional five (5) year period (the "***Option Period***") for the period commencing on the date following the Expiration Date upon the terms and conditions contained in this Lease, except as otherwise provided in this **Section 3.2.** To exercise the Option, Tenant shall give Landlord written notice of its intent to exercise said Option not later than **March 3, 2025** (the "***Extension Notice***") in accordance with **Section 21.1** of this Lease. In the event Tenant exercises its Option, this Lease will terminate in its entirety at the end of the Option Period and Tenant will have no further option to renew or extend the Term of this Lease."

(c) Landlord and Tenant hereby agree to add the following section as Section 3.3 of the Lease:

"Section 3.3 **Early Termination Option.** In the event Tenant has lost its charter from the Pennsylvania Department of Education, Tenant shall be granted a one-time right to terminate this Lease prior to the Expiration Date (the "***Termination Option***"), effective as of **June 30, 2023** (the "***Early Termination Date***"), subject to the following terms and conditions:

(a) Tenant shall not be in default under this Lease (beyond any applicable notice and cure period) either on the date that Tenant exercises the Termination Option or on the designated Early Termination Date; and

(b) Tenant must provide Landlord with written notice of Tenant's election to exercise this Termination Option ("***Tenant's Termination Notice***"), no later than **June 30, 2022**, time being of the essence; and

(c) Within thirty (30) days after the date of Tenant's Termination Notice, Tenant shall pay Landlord an early termination fee equal to \$44,650.00 (the "***Early Termination Fee***"). Landlord and Tenant hereby acknowledge and agree that the Early Termination Fee is equal to the amount of Landlord's costs directly related to this Lease (including all tenant improvement costs, construction costs, architecture fees, leasing commissions, legal fees and other costs and expenses otherwise directly related to this Lease) that will remain

unamortized as of the Early Termination Date. Rent shall thereafter be payable as scheduled through the Early Termination Date; and

(d) If Tenant properly exercises this Termination Option, and performs all of its obligations under the Lease through the Early Termination Date (including, without limitation, pursuant to Article XVIII of the Lease), then all Rent payable under this Lease shall be paid through and apportioned as of the Early Termination Date, the Term of this Lease shall terminate as of the Early Termination Date, and neither party shall thereafter have any further rights or obligations accruing after said Early Termination Date, except those which by the provisions of this Lease expressly survive the expiration of the Term of this Lease.”

4. **BASE RENT.** Effective as of July 1, 2018, the “Annual Base Rent/Base Rent” table set forth in Section 4.1 of the Summary portion of the Initial Lease is hereby deleted and replaced with the following:

<u>Lease Year</u>	<u>Price/Sq. Ft.</u>	<u>Rentable Sq. Ft.</u>	<u>Annual Base Rent</u>	<u>Monthly Base Rent</u>
7/1/18 – 6/30/19	\$29.08	3,337	\$97,039.96	\$8,086.66
7/1/19 – 6/30/20	\$29.57	3,337	\$98,675.09	\$8,222.92
7/1/20 – 6/30/21	\$30.08	3,337	\$100,376.96	\$8,364.75
7/1/21 – 6/30/22	\$30.59	3,337	\$102,078.83	\$8,506.57
7/1/22 – 6/30/23	\$31.08	3,337	\$103,713.96	\$8,642.83
7/1/23 – 6/30/24	\$31.58	3,337	\$105,382.46	\$8,781.87
7/1/24 – 6/30/25	\$32.08	3,337	\$107,050.96	\$8,920.91

Section 4.1 of the Lease is hereby amended so that, effective as of July 1, 2018, Tenant shall covenant and agree to pay the Landlord Annual Base Rent in accordance with the revised rent schedule set forth above. Section 4.1 of the Lease is hereby further amended such that, effective as of July 1, 2018, the term “Lease Year” shall mean the period commencing on July 1, 2018 and ending on June 30, 2019, and each successive twelve (12) month period from July 1 through June 30.

5. **ASSIGNMENT BY TENANT.** Landlord and Tenant hereby agree to add the following language to the end of Section 19.1 of the Lease:

“Notwithstanding anything herein to the contrary, Tenant shall have the right to assign the Lease in its entirety or to sublease all or any portion of the Demised Premises without the prior written consent of the Landlord if such assignment or sublease is a Permitted Transfer (as hereinafter defined). As used herein, a “*Permitted Transfer*” is an assignment of the Lease or a sublease of all or part of the Demised Premises by Tenant to any person or entity that is an Affiliate (as defined below) of Tenant during the period such person or entity remains an Affiliate, or to any entity into or with which Tenant may be merged, converted or consolidated or to which all or substantially all of the ownership interests or assets of Tenant are sold as a going concern (each, a “*Successor*”), subject to the following conditions: (i) Tenant is not in default under the Lease (beyond any applicable notice and cure period); (ii) Tenant remains liable for all of its obligations under this Lease and immediately after the transaction has a

tangible net worth, calculated in accordance with generally accepted accounting principles consistently applied (and evidenced by financial statements in form reasonably satisfactory to Landlord) at least equal to Ten Million Dollars (\$10,000,000) (or with respect to an assignment to a Successor or if Tenant otherwise ceases to exist as a result of or following the transaction, the Successor must assume, in a document reasonably satisfactory to Landlord, all of Tenant's obligations under this Lease and must have immediately after the transaction a tangible net worth at least equal to that of Tenant at the time of execution of this Amendment); (iii) the nature and character of the use of the Demised Premises shall materially remain the same, and Tenant shall otherwise comply with the terms of this Article and this Lease; (iv) Tenant shall have notified Landlord in writing (and provided Landlord with a copy of the applicable assignment or sublease document and evidence reasonably satisfactory to Landlord of compliance with this Section and that any security deposit, letter of credit or other security for this Lease shall remain in effect) at least thirty (30) days prior to the effective date of such assignment or subletting; and (v) the transaction shall not be a subterfuge to avoid Tenant's obligations under this Lease. The occurrence of a Permitted Transfer shall not waive Landlord's rights with respect to any subsequent assignment, sublease or other transfer. As used herein, "*Affiliate*" means any person or entity that directly or indirectly controls, is controlled by, or is under common control with Tenant; and "*control*" means the possession, directly or indirectly, of the power to direct or cause the direction of the management, policies or activities of a person or entity, whether through ownership of voting securities, by contract or otherwise (provided, that no person or entity shall be deemed in control simply by virtue of being a director, officer, partner or holder of voting securities or voting interests of any entity)."

6. **NO BROKERS.** Landlord and Tenant each represents and warrants to the other that neither it nor its respective officers or agents nor anyone acting on its behalf has dealt with any real estate broker in the negotiating or making of this Amendment, and each party agrees to indemnify and hold harmless the other from any costs, expenses and liabilities, including reasonable attorneys' fees, incurred by the indemnified party in conjunction with any such claim or claims of any other broker or brokers to a commission or other payment or remuneration in connection with this Amendment as a result of the actions of the indemnifying party.

7. **TENANT REPRESENTATIONS; INDEMNITY.** Tenant hereby represents and warrants to Landlord that: (a) it has full power and authority to execute this Amendment; (b) it has not made any assignment, sublease, transfer, conveyance or disposition of the Lease or any interest in the Lease or the Demised Premises to any other party; (c) Tenant has not, at any time, done or suffered, and will not do or suffer, any act or thing whereby the Demised Premises or any part thereof are or may be in any way charged, affected or covered by any lien or claim; and (d) to Tenant's knowledge, there is not currently, and will not hereafter be, any lien, claim, demand, obligation, liability, expense, damage, cost, action, cause of action or judgment (each, a "*Claim*") against Tenant or Landlord by any other party with respect to or arising out of the Tenant's occupancy of the Demised Premises. Tenant hereby agrees to defend, indemnify and hold harmless Landlord and its members, managers, partners, employees, agents, representatives and affiliates from any Claim arising from or related to any misrepresentation by Tenant, or any inaccuracy, regarding any of the representations and warranties set forth in this Section.

8. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Amendment.

9. ENTIRE AGREEMENT. This Amendment, together with the Initial Lease, sets forth the entire agreement between Landlord and Tenant with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

10. NOT AN OFFER; COUNTERPARTS. The submission of this Amendment to Tenant or its broker or other agent, does not constitute an offer to Tenant. This Amendment shall have no force and effect until it is (a) executed and delivered by Tenant to Landlord and (b) fully reviewed and executed by Landlord. This Amendment may be executed in any number of counterparts, and by each of the parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all of which shall constitute but one and the same instrument. Delivery of an executed counterpart of this Amendment by telefacsimile or e-mail will be equally as effective as delivery of a manually executed counterpart of this Amendment. Any party delivering an executed counterpart of this Amendment by telefacsimile or e-mail shall also deliver a manually executed counterpart of this Amendment to the other party, but the failure to deliver a manually executed counterpart will not affect the validity, enforceability or binding effect of this Amendment.

11. MISCELLANEOUS. This Amendment: (a) may be amended only by a writing signed by Landlord and Tenant; (b) shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania, without giving effect to any conflict of laws rules; and (c) is binding upon, and will inure to the benefit of, the parties and their respective successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have caused this First Amendment to Lease Agreement to be duly executed and delivered as of the day and year first written above, with the intent to be legally bound.

WITNESS/ATTEST:

Christie Reber

LANDLORD:

2600 BRIXMASTER, L.P.,
a Pennsylvania limited partnership

By: 2600 Master Tenant GP, LLC, a
Pennsylvania limited liability company, its
general partner

By: TCB Legacy Trust, its sole manager

By: [Signature]
James D. Scalo, Trustee

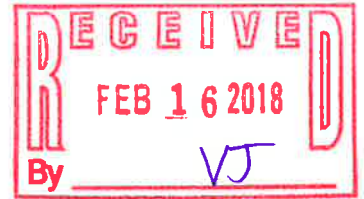
WITNESS/ATTEST:

[Signature]

TENANT:

THE PENNSYLVANIA CYBER CHARTER
SCHOOL, a Pennsylvania non-profit corporation

By: [Signature]
Name: EDWARD ELDER
Title: BOARD PRESIDENT



LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is entered into as of the 1ST day of December, 2017 by and between PINewood REALTY PARTNERS LP, a Pennsylvania limited partnership ("Landlord") and PENNSYLVANIA CYBER CHARTER SCHOOL, a Pennsylvania non-profit corporation ("Tenant").

The parties, intending to be legally bound, agree as follows:

1. PREMISES: Landlord hereby leases to Tenant those certain premises in the Pinewood Place located in that certain building municipally known as 200 Pinewood Lane, Marshall Township, Allegheny County, Pennsylvania (the "Building"), as shown as the hatched area on Exhibit A attached hereto and incorporated herein, consisting of eight thousand nine hundred (8,900) leasable square feet and also identified as Suite 100 in the Building (the "Leased Premises"), to be used for the purposes of general office use to support operations of a charter cyber school and not for providing any classroom or direct cyber instruction to students. Tenant shall not use the Leased Premises to operate a public accounting firm which offers tax, accounting, assurance, wealth management or substantially similar services resulting from an exclusive use clause granted to another tenant. Tenant shall have access to the Leased Premises 24 hours per day, 7 days per week, subject to the terms of this Lease.

Warrendale 15086
TOTAL BLDG SQ FT
47,850

2. TERM:

A. The term of this Lease shall commence upon the Lease Commencement Date (as that term is hereinafter defined), and expire, unless sooner terminated under the conditions hereinafter set forth, ten (10) Lease Years (as that term is hereinafter defined) and three (3) months thereafter (the "Term"). The Lease Commencement Date shall be the date Landlord substantially completes Landlord's Work (as evidenced by among other things a final certificate of occupancy for the Leased Premises) as set forth in Article 13 Landlord shall substantially complete Landlord's Work (as evidenced by among other things a final certificate of occupancy for the Leased Premises) within one hundred twenty (120) days after Landlord and Tenant agree upon a construction drawings and specifications for the Tenant's improvements.. Tenant shall have access to the Leased Premises at least fourteen (14) days prior to the Lease Commencement Date for purposes of installing furniture, fixtures and equipment. Tenant shall also have reasonable access to the Leased Premises during construction of Landlord's Work in order to permit Tenant to run telecom and data lines while the walls of the Leased Premises are open without the obligation to pay rent.

B. The first "Lease Year" shall commence on the Lease Commencement Date and terminate at the end of the twelfth (12th) full calendar month thereafter during the Term. Each successive twelve (12) month period during the Term shall be another "Lease Year".

C. Within sixty (60) days after the Lease Commencement Date, Landlord and Tenant shall execute a document, which shall be prepared by Landlord, stipulating the Lease Commencement Date, the Lease Years, the date of expiration of the Term of this Lease,

Tenant

Landlord

Landlord's lease costs (as more fully described in subsection 2.D) and Landlord's amortization schedule of such Lease costs.

D. Tenant shall have a one-time right to terminate this Lease after the fifth (5th) Lease Year. To exercise this option, Tenant shall not be in default of the Lease and Tenant shall provide notice of its intent to exercise its option to terminate this Lease prior to the expiration of the fourth (4th) Lease Year, which notice shall be in writing and by certified mail, return receipt requested to Landlord. Failure to timely exercise the termination option by Tenant shall cause the lease termination option to forever lapse. If Tenant timely exercises its Lease termination option, Tenant shall, within thirty (30) days of Landlord's receipt of the termination notice, pay to Landlord the unamortized Lease costs incurred by Landlord in connection with this Lease in accordance with that certain amortization schedule to be attached hereto as Exhibit D, which schedule includes, but is not limited to, the following Lease costs: the Tenant Improvement Allowance (as that term is hereinafter defined) and build out costs, architectural fees, legal fees, lease commissions and any other costs directly related to Landlord's Lease with Tenant.

E. If space contiguous to the Leased Premises on the first (1st) floor of the Building becomes available, Landlord shall offer the space to Tenant, in writing, at Tenant's then current Base Rental Rate. Tenant shall have fifteen (15) days within which to accept the offer for contiguous space. If Tenant fails to timely exercise its option for contiguous space, then Landlord may offer the contiguous space to any third party.

F. Tenant shall have one (1) renewal option for an additional five (5) year term. The base rental rate for the renewal period shall be the then current market rate for space for renewing tenants in substantially similar buildings in the North Hills area of Pittsburgh. Tenant shall provide Landlord with written notice of its desire to exercise the renewal option on or before the date that is two hundred seventy (270) days prior to the expiration of the then current Term. If timely written notice of the intent to renew is not provided, said option shall lapse.

3. RENTAL COMMENCEMENT DATE: The date upon which Tenant shall be obligated to commence the payment of Rent and all additional charges hereunder shall be known as the "Rental Commencement Date" and such date shall be the date that is the first day of the first month that is three (3) full calendar months after the Lease Commencement Date.

4. BASE RENT:

A. Annual rent shall be payable by Tenant to Landlord in twelve (12) equal monthly installments on the first (1st) day of each month commencing on the Rental Commencement Date in advance and without prior demand ("Base Rent") as follows:

Lease Year	Monthly Base Rent	Annual Base Rent	Annual Per S.F.
1-(Months 4-12)	\$18,170.83 per month	\$163,537.47 per year	\$24.50 per S.F.
2	\$18,541.66 per month	\$222,500.00 per year	\$25.00 per S.F.

Tenant  Landlord 

3	\$18,912.50 per month	\$226,950.00 per year	\$25.50 per S.F.
4	\$19,283.33 per month	\$231,400.00 per year	\$26.00 per S.F.
5	\$19,654.16 per month	\$235,850.00 per year	\$26.50 per S.F.
6	\$20,025.00 per month	\$240,300.00 per year	\$27.00 per S.F.
7	\$20,395.83 per month	\$244,750.00 per year	\$27.50 per S.F.
8	\$20,766.66 per month	\$249,200.00 per year	\$28.00 per S.F.
9	\$21,137.50 per month	\$253,650.00 per year	\$28.50 per S.F.
10	\$21,508.33 per month	\$258,100.00 per year	\$29.00 per S.F.
11 (Months 121-123)	\$21,879.17 per month	\$65,637.51 per year	\$29.50 per S.F.

If any installment of Base Rent, Additional Rent (as that term is hereinafter defined), Holdover Rent (as that term is hereinafter defined) or other charges accruing under this Lease shall not be paid within five (5) days of when such payment is due, subject to all notice and cure periods, a "Late Charge" of five percent (5%) of the amount of such outstanding payment or \$100, whichever is greater, shall be paid by Tenant to Landlord.

If the Term shall commence upon a day other than the first day of a calendar month, then Tenant shall pay, upon the Lease Commencement Date of the Term, a pro rata portion of the fixed monthly rent described in the foregoing clause 4(A)(i) prorated on a per diem basis with respect to the fractional calendar month preceding the commencement of the first full month in the first Lease Year; and the Base Rent due for the balance of the first Lease Year will be the amount established in clause 4(A)(i). It is the intention of the parties that the rental specified in this Section shall be net to Landlord in every respect and paid without abatement, deduction or set-off. [

B. In addition to the Base Rent, Tenant shall pay to Landlord, all charges for additional goods and services furnished or performed by Landlord at Tenant's request or caused by Tenant in connection with Tenant's occupancy and use of the Leased Premises, not herein otherwise agreed to be furnished by Landlord. Payment for additional goods or services shall be due within ten (10) days after receipt of Landlord's invoice.

C. In addition to the Base Rent, Tenant shall pay to Landlord, as additional rent, Tenant's Proportionate Share (as that term is hereinafter defined) of any annual Tax Payments (as that term is hereinafter defined) and Operating Expenses (as that term is hereinafter defined) in excess of the Base Year Tax Payments and the Base Year Operating Expenses (collectively "Additional Rent").

i. Definitions:

- a. The term "Tenant's Proportionate Share" shall mean 13.81%.
- b. The term "Base Year" shall be the calendar year 2018. For Tax Payment purposes, the base year shall be the year in which the assessed value of the Building's real property is determined after exhaustion of any applicable governmental appeals.

c. The term "Tax Payments" shall mean for any calendar year, all personal property taxes for furniture and equipment associated with the Building operations and all real property taxes, tax liens, costs incurred to appeal real property taxes, regular and special assessments, impositions and charges of every kind and nature imposed by any governmental authority on the Building, and the land upon which it is located, and the use thereof allocable during said calendar year. Taxes shall not include any federal, state or local sales, use, franchise, capital stock, inheritance, general income, business privilege, gift or estate taxes, except that if a change occurs in the method of taxation resulting in whole or in part in the substitution of any such taxes, or any other assessment, for any real estate taxes as above defined, such substitute taxes or assessments shall be included in real estate taxes.

d. The term "Operating Expense" shall mean, for any calendar year, the sum of (i) all reasonable and customary expenses, costs and disbursements of every kind and nature which Landlord shall pay or become obligated to pay because of or in connection with the ownership, management, operation and maintenance of the Building, grounds and land on which it is situated. If the Building is not fully occupied during all or a portion of any calendar year, Landlord may compute Tenant's proportionate share of variable Operating Expenses (i.e. those items which vary according to occupancy levels) by determining, in accordance with sound accounting and management practices, the amount of variable Operating Expenses that would have been paid had the Building been ninety percent (90%) occupied, and the amount so determined shall be deemed to have been the amount of variable Operating Expenses for such year and (ii) depreciation, replacement, interest and other debt costs with respect to machinery, equipment, systems, property, facilities or other capital expenditures installed in and used in connection with the Building, grounds and land after the Commencement Date of this Lease, if the principal purposes of such installation and use is to reduce the cost of other items of Operating Expenses; or to comply with the wishes or directives of a governing agency or body. **The following are not included in "Operating Expense":** Tax Payments; Costs of alterations of all rentable premises; Real estate brokers' leasing commissions; Costs of advertising and marketing; Capital expenditures, except those qualifying for inclusion under (ii) of this paragraph; Interest and principal payments on mortgages and other debt costs, except those qualifying for inclusion under (ii) of this paragraph; Legal fees in enforcing the terms of any lease; Any of the building costs and utility services paid for directly by another tenant; Expenses incurred in leasing or procuring a new tenant (including, without limitation, costs of renovation, commissions and advertising); Expenses for repairs or other work occasioned by fire, wind or other insured casualty regardless of cause; Costs incurred in connection with any expansion of the Building; or Costs that Landlord incurs in restoring the Building or land upon which it is located after the occurrence of a fire or other casualty or after a partial condemnation thereof.

e. Landlord agrees to limit **any increases of controllable expenses to five percent (5%) per annum cumulative basis, excluding real estate taxes, utilities, insurance premiums and snow removal.**

- ii. Estimated Payments of Additional Rent: Commencing as soon as practical after the end of each calendar year following the Base Year, Tenant shall pay to Landlord, monthly in advance, one-twelfth (1/12) of the Additional Rent (based upon the prior calendar year costs) estimated by Landlord for the then current calendar year as delineated in a written notice from Landlord (each an "Additional Rent Notice"). If an Additional Rent Notice is received after the start of the subject calendar year, then within thirty (30) days after receipt of the subject Additional Rent Notice, Tenant shall pay Landlord the amount of the monthly installments of Additional Rent that were due but not paid for the months in the subject calendar year that commenced prior to Tenant's receipt of the subject Additional Rent Notice All such monthly payments under this Section 4.C.ii shall be credited to Tenant's rental account for the then current calendar year.

- iii. Reconciliation of Additional Rent: As soon as practical after the end of each calendar year following the Base Year, Landlord shall prepare and deliver to Tenant a "Notice of Additional Rent Due" providing an itemized detail of the actual Additional Rent for the immediately preceding calendar year, and advising Tenant of the amounts, if any, due Landlord as Additional Rent for the immediately such preceding calendar year. If the initial or final Additional Rent period is less than a full calendar year, then the Additional Rent for such period shall be reduced proportionately. If at the end of any such period, it is determined that the aggregate of the monthly Additional Rent paid by Tenant for such period (pursuant to section 4.C.ii above) is less than the actual amount that should have been paid hereunder by Tenant, the deficiency shall be payable by Tenant within thirty (30) days from Tenant's receipt of the subject Notice of Additional Rent Due. To the extent that Tenant shall have paid Additional Rent in excess of what was actually due to Landlord in accordance with the terms of this Lease, Landlord shall notify Tenant and the amount of such excess shall be credited to the Base Rent due or next to become due from Tenant to Landlord, except that for the final Lease Year any such excess shall be paid directly to Tenant within thirty (30) days of Landlord determining that such excess was paid.

D. Dispute and Audit Rights: The information set forth in a Notice of Additional Rent Due shall be deemed approved by Tenant unless, within sixty (60) (days after receipt by Tenant, Tenant shall notify Landlord in writing that it disputes the correctness thereof. Tenant shall have the right to review Landlord's books and records pertaining to Tax Payments and/or Operating Expenses upon two (2) days written notice to Landlord, provided such review shall be conducted during Landlord's regular business hours at the office where Landlord maintains such records and provided the review comes within sixty (60) days of the date Tenant received the subject Notice of Additional Rent Due or notice that Tenant had paid in excess of the amount of Additional Rent that was actually due in accordance with the terms of this Lease.

E. For all purposes with respect to the remedies available to the Landlord under the terms of this Lease and under the laws of the Commonwealth of Pennsylvania, the term "Rental Amount" shall be deemed to include, without limitation, Base Rent, Additional Rent, and any charges for additional services becoming due under this Lease from Tenant to Landlord. Any Rental Amount due hereunder shall be deemed delinquent if not received by Landlord on the date on which it first became due, subject to all applicable notice and cure periods.

F. If Tenant continues to occupy the Leased Premises after the expiration or other termination of the Term, subject to any renewal terms, without any further written agreement extending the Term between the parties, Tenant shall be a month-to-month tenant at a minimum monthly Rent equal to one hundred fifty percent (150%) of the monthly Rent in effect immediately prior to expiration or other termination of the Term ("Holdover Rent") and the Holdover Rent shall be due as if it was Base Rent in accordance with the terms of this Lease without demand and subject always to all of the other provisions of this Lease insofar as the same are applicable to a month-to-month tenancy and a tenancy from year to year shall not be created by implication of law. Tenant shall be liable for Holdover Rent, which shall accrue during the entire Holdover Tenancy, regardless of whether Landlord has made any demands for Holdover Rent during the Holdover Tenancy. Notwithstanding anything contained herein to the contrary, in no event shall Tenant be responsible for consequential damages.

5. **SECURITY DEPOSIT AND LETTER OF CREDIT:** Tenant shall not be required to deposit a sum as a security deposit. Tenant shall however, concurrent with the execution of this Lease, provide a Letter of Credit reasonably agreeable to Landlord and Landlord's lender equal to the sum of the Rent for the first seventy five (75) months of the Term which shall act as security for Tenant's obligations hereunder. The Letter of Credit shall decline commensurate with each monthly payment of Rent paid by Tenant. Provided Tenant has paid the first seventy five (75) months of Rent and is not otherwise in default of its obligations under this Lease, subject to all applicable notice and cure periods, then the Letter of Credit shall be released by Landlord and no other security shall be required of Tenant.. In the event that Tenant defaults in any of the terms, provisions, covenants, and conditions of this Lease, subject to all applicable notice and cure periods, including but not limited to payment of any Rental Amount, Landlord may draw upon the Letter of Credit for the payment of any such sum in default, or for any other sum which Landlord may actually expend by reason of Tenant's default in accordance with the terms of this Lease, subject to all applicable notice and cure periods. If during the Term Landlord draws upon the Letter of Credit in curing a default on the part of Tenant, subject to all applicable notice and cure periods, Landlord shall notify Tenant of such utilization and the reason therefore and Tenant shall immediately restore the Letter of Credit to its original amount, subject to automatic decline of the face amount of the Letter of Credit in accordance with the terms of this Section.

6. **LANDLORD OBLIGATIONS:** Landlord will provide the following services and facilities for the Leased Premises:

- A. Air-conditioning, ventilation and heating ("HVAC") through the Building, using standard air-conditioning units installed in the Leased Premises, from 7:30 a.m. to 7:00 p.m. weekdays; Saturdays from 10:00 a.m. to 12:00 p.m.; (Sundays and Holidays excepted) (herein called "Regular Operating Hours"), which shall be sufficient for generally recognized commercial activities and for Tenant's intended use. Tenant shall be responsible for the cost of any additional HVAC required for a computer server room.
- B. Electric current for the Leased Premises sufficient to support Tenant's intended use of the Leased Premises.

- C. Cleaning and maintenance of the interior common areas in the Building.
- D. Cleaning of outside of exterior window panes.
- E. Elevator service subject to interruption due to maintenance, repairs, labor disputes and other interruptions for which Landlord is not responsible; provided, however, that Landlord shall at all times diligently work to minimize any such interruption.
- F. Those certain Building janitorial services, as defined in the Rules and Regulations, which are attached hereto and incorporated herein, as may be, upon reasonable notice to Tenant, reasonably amended by Landlord with respect to all tenants of the Building.
- G. Cleaning, painting, striping, surfacing and resurfacing, repairing, operating, lighting, removing of snow, ice, rubbish and debris, and for the inspection of the exterior common areas surrounding the Building including, without limitation, the parking area used for the Building, as deemed necessary by Landlord.
- H. All maintenance that is necessary to maintain the roof, outer walls, HVAC, common areas, parking, and structure of the Building and the Leased Premises in a safe, dry and tenantable condition and in good order and repair.
- I. Provide non-exclusive use of the common areas and its parking lot, which parking lot consists of 268 parking spaces and 4.15 parking space per rentable square foot of the Building ratio.

7. **TENANT OBLIGATIONS:**

- A. Tenant shall not, without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, assign this Lease or sublet all or any part of the Leased Premises to any person or entity, excepting (a) any entity resulting from a merger, acquisition or consolidation with Tenant; (b) any entity succeeding to the business and assets of Tenant; and (c) any subsidiary or affiliate of Tenant. "Affiliate" shall mean any partnership, corporation, un-incorporated association, joint venture or other entity which is controlled by or is under common control with Tenant. In all cases, an entity to whom Tenant desires to sublet or assign shall have a net worth substantially equal to Tenant as of the date of this Lease and shall not engage in a use prohibited under section 1 above.
- B. Tenant shall not make any alterations, additions or improvements to the Leased Premises without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. All alterations, additions or improvements shall, at the option of the Landlord be the property of the Landlord and shall remain upon and be surrendered with the Leased Premises as a part thereof, at the termination of this Lease without molestation, damage or injury. Tenant shall not do or suffer anything to be done whereby the Leased Premises or any part thereof may be encumbered by any mechanics' lien and shall whenever and as often as any lien is filed against the Leased Premises or any part thereof purporting to be for labor, material or other services furnished or to be furnished to Tenant, Tenant shall

cause the same to be bonded over or discharged of record within thirty (30) days after the date of filing at its cost.

- C. Tenant shall return the Leased Premises with such alterations, additions or improvements to Landlord at the termination of this Lease in as good order and condition as received subject only to ordinary wear and tear and damage due to fire and casualty.
- D. Tenant shall observe and abide by the Rules and Regulations of the Building, which are attached hereto and incorporated herein, as may be, upon reasonable notice to Tenant, reasonably amended by Landlord with respect to all tenants of the Building.
- E. Landlord shall have the right to enter the Leased Premises at any reasonable time, and upon reasonable advance notice to Tenant, to examine the same or to make alterations and repairs, or for any purpose which Landlord may deem reasonably necessary for the proper operation and maintenance of the Building; provided, however, that Landlord shall not unreasonably interfere with Tenant's use and enjoyment of the Leased Premises and Landlord shall use reasonable efforts to enter the Leased Premises during times that will result in the least amount of interference to Tenant.
- F. During the last 270 days of the Term, subject to any exercised renewal, Landlord shall have the right to exhibit the Leased Premises to prospective future tenants at reasonable times and upon reasonable advance notice to Tenant; provided, however, that Landlord shall not unreasonably interfere with Tenant's use and enjoyment of the Leased Premises and Landlord shall use reasonable efforts to enter the Leased Premises during times that will result in the least amount of interference to Tenant.
- G. Tenant shall give Landlord prompt notice of any accident to or defects in any equipment or structural component including, but not limited to: the water pipes, electric wiring or in the heating or other mechanical apparatus or equipment and that Landlord shall not be liable to Tenant for any damage by reason of inconvenience, annoyance or injury to business arising from the defect or repairing of the Leased Premises or the Building or any equipment therein; provided, however, that Landlord shall at all times diligently work to minimize any such inconvenience, annoyance or injury.
- H. Tenant shall, at Tenant's sole cost and expense, promptly fulfill and comply with all laws, ordinances, regulations and requirements of any and all governmental authorities having jurisdiction over the Building, relating solely Tenant's occupancy of the Leased Premises or the business conducted therein.
- I. Except to the extent caused by Landlord's negligence or willful misconduct, Tenant shall at Tenant's sole cost and expense, be responsible for all repairs and replacements necessitated by any damages to the Leased Premises, Building and property of tenants of the Building and others caused by the use or failure of any fixtures or equipment installed in the Leased Premises solely by Tenant. To the extent the foregoing is not repaired or replaced by Tenant, Landlord may make such repairs and replacements at the sole cost and expense of

Tenant  Landlord 

Tenant which cost shall be paid by Tenant as an additional good or service provided by Landlord under Lease section 4.B.

8. DEFAULT BY TENANT/LANDLORD:

The following shall constitute events of default under the terms of this Lease:

- A. If Tenant fails to pay any Rent or any other charges required to be paid by Tenant when the same shall become due and payable and such failure continues for ten (10) days after written notice from Landlord (provided, however, that once Landlord sends any such notice to Tenant two (2) times during any calendar year, Tenant shall thereupon and thereafter no longer be entitled to any such written notice during such calendar year and a default shall exist if any Rent or other charge is not paid when due during such calendar year).
- B. If Tenant shall fail to perform or observe any other terms and conditions of this Lease, and such failure shall continue for thirty (30) days after written notice from Landlord (except that such thirty (30) day period shall be automatically extended for such additional period of time as is reasonably necessary to cure such default if such default cannot be cured within such thirty (30) day period, provided Tenant commences the process of curing the same within said thirty (30) day period and diligently pursues such cure).

In the event a default exists, subject to all applicable notice and cure periods, Landlord shall have any and all of the following remedies:

- C. Subject to applicable laws, Landlord shall have the right to re-enter the Leased Premises, remove all persons and recover the possession by legal proceedings or otherwise, and to use such force to enter and regain possession as Landlord shall deem proper without being liable for any civil action or criminal prosecution. No such re-entry by Landlord shall be deemed a termination of this Lease or an acceptance of surrender of this Lease. No taking or recovering possession of the Leased Premises shall deprive Landlord of any of its other remedies or actions against Tenant for past or future Rent.
- D. Landlord may terminate this Lease, whereupon this Lease shall automatically cease and terminate and Tenant shall be immediately obligated to quit and vacate the Leased Premises. Subject to applicable laws, any other additional notice to quit or vacate, or notice of Landlord's intention to re-enter the Leased Premises is hereby expressly waived. If Landlord elects to terminate this Lease, any obligation contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, subject, however, to the right of Landlord to accelerate and recover from Tenant all Rent due hereunder for the full Term of this Lease as defined in Section 4.
- E. Should Landlord recover possession of the Premises pursuant to Section "C" above, or if this Lease be terminated before the expiration of the Lease Term pursuant to Section "D"

Tenant  Landlord 

above, Landlord shall have the option to relet the Leased Premises for such Rent and upon such terms as are not unreasonable under the circumstances and, in such event, if the full Rent reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including, without limitation, deficiency in Rent, reasonable attorney's fees, brokerage fees and expenses of placing the Leased Premises in rentable condition. Landlord, in putting the Leased Premises in good order or preparing the same for re-rental may, at Landlord's option, make such alterations, repairs, or replacements in the Leased Premises as Landlord, in its reasonable judgment, considers advisable and necessary for the purpose of reletting the Leased Premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release Tenant from liability hereunder. Landlord shall in no event be liable in any way whatsoever for failure to relet the Leased Premises, or in the event that the Leased Premises are relet, for failure to collect an amount equal to the Rent under such reletting, and in no event shall Tenant be entitled to receive the excess, if any, of such net Rent collected over the sums payable to Tenant to Landlord hereunder. Any damage or loss of Rent sustained by Landlord may be recovered by Landlord, at Landlord's option, either at the time of the reletting; in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive relettings; or in a single proceeding deferred until the expiration of the Term of this Lease (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term).

- F. Any payment required to be made by Tenant under the provisions of this Lease not made by Tenant when and as due, subject to all applicable notice and cure periods, shall automatically incur interest thereon, without demand, at the rate of ten percent (10%) per annum from the date when the particular amount became due, subject to all applicable notice and cure periods, to the date of payment thereof to Landlord.
- G. At Landlord's discretion, Landlord may cure any non-monetary default, subject to all applicable notice and cure periods, upon providing to Tenant ten (10) days prior written notice that Landlord will cure any claimed non-monetary default. Prior written notice shall not be required in the event of an emergency affecting life or property. Upon Landlord curing such default, Tenant shall be liable to Landlord for the direct costs to cure the default together with an administrative fee of ten percent (10%) of said direct costs to cure (the "Cure Costs"). Tenant shall reimburse Landlord for the Cure Costs within ten (10) days of submission by Landlord's to Tenant of its invoice for the Cure Costs.
- H. Landlord shall have a duty to mitigate its damages.

Landlord Default.

- I. In the event Landlord fails to perform any of its obligations under this Lease and fails to cure such default within thirty (30) days after written notice from Tenant, then Tenant may (without being obligated to do so) exercise the rights available to it at law or in

equity, excluding the abatement of rent, but including, without limitation, the right to sue to recover actual damages from Landlord.

9. INDEMNIFICATION/ INSURANCE COVERAGE:

- A. Tenant does hereby assume liability for and does hereby agree to indemnify, defend, protect and hold harmless Landlord from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, in connection with loss of life, personal injury, and/or property damage arising from or out of any occurrence in, upon or at the Leased Premises, or occupancy and use by Tenant of Leased Premises or any part thereof, occasioned wholly or in part by any act or omission of Tenant, its agents or employees, except to the extent caused by Landlord's negligence or misconduct. In case Landlord shall be made a party to any litigation commenced by or against Tenant, including but not limited to cases where a party would seek to hold Landlord liable on a theory of negligence, strict liability or breach of implied warranty, Tenant shall protect, defend and hold Landlord harmless and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by Landlord in connection with such litigation, except to the extent caused by Landlord's negligence or misconduct. The indemnity obligations set for in this section shall survive the expiration or termination of this Lease.
- B. Tenant agrees to name Landlord as an additional insured under its blanket public liability insurance policy covering the Leased Premises. Tenant represents that such policy is in limits of not less than One Million (\$1,000,000.00) Dollars, and Tenant shall provide Landlord with a certificate of such insurance at the execution of this Lease and remit to the Landlord a current copy as it is renewed.
- C. Landlord does hereby assume liability for and does hereby agree to indemnify, defend, protect and hold harmless Tenant from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, in connection with loss of life, personal injury, and/or property damage occasioned wholly or in part by any act or omission of Landlord, its agents or employees, except to the extent caused by Tenant's negligence or misconduct. In case Tenant shall be made a party to any litigation commenced by or against Landlord, including but not limited to cases where a party would seek to hold Tenant liable on a theory of negligence, strict liability or breach of implied warranty, Landlord shall protect, defend and hold Tenant harmless and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by Tenant in connection with such litigation, except to the extent caused by Tenant's negligence or misconduct. The indemnity obligations set for in this section shall survive the expiration or termination of this Lease.
- D. Landlord agrees to maintain during the Term "all-risk" property insurance on the Building during the Term, for full replacement value with such deductibles and in such amounts as may from time to time be carried by reasonably prudent owners of similar buildings in the Pittsburgh area. In addition, Landlord shall maintain the following insurance throughout the Term (as the same may be extended): (1) Commercial General Liability insurance applicable to the property upon which the Building is erected (the "Property"), providing, on an occurrence basis, a minimum combined single limit of at least \$2,000,000.00; (2) Worker's Compensation insurance as required by the state in

which the Property is located and in amounts as may be required by applicable statute; and Landlord may satisfy such insurance requirements through a commercially reasonable program of self-insurance or by including the Property in a so-called "blanket" insurance policy, so long as the amount of coverage allocated to the Property fulfills the foregoing requirements. Landlord shall, within ten (10) days following receipt of Tenant's written request, deliver to Tenant certificates evidencing the foregoing insurance.

10. MORTGAGE SUBORDINATION

Tenant accepts this Lease subject and subordinate to all mortgages and other encumbrances which presently affect or which in the future affect the Building or any part thereof. Such subordination shall be self-operative, and no further instrument of subordination shall be required by any mortgagee provided however, that the subordination and attornment in this paragraph is expressly subject to the condition that the holder of such mortgage shall not disturb Tenant's possession and right to quiet enjoyment of the Leased Premises as provided in this Lease so long as Tenant is not in default, subject to all applicable notice and cure periods, hereunder. However, in confirmation of such subordination, Tenant shall execute and deliver promptly any reasonable certificates or other written assurances, designed to give effect to or provide evidence of the same which Landlord may reasonably request. In the event of a sale under any mortgage (or any note or other obligation secured thereby) to which this Lease is subordinate, or a taking of possession of the Leased Premises by the mortgagee or other person acting for or through the mortgagee under any mortgage to which this Lease is subordinate, then, and upon the happening of any such events, Tenant shall, subject to the terms of any subordination, non-disturbance and attornment agreement then in place, attorn to and recognize the purchasers as the party who, but for this Lease, would be entitled to possession of the Leased Premises. Tenant's rights under this Lease shall not be affected by, and shall survive foreclosure or deed in lieu of foreclosure of, any mortgage.

11. FIRE AND CASUALTY:

- A. If the Leased Premises are partially damaged by fire or other casualty, the damages shall be repaired by and at the expense of Landlord and until such repairs are made, rental payments hereunder shall be apportioned according to the part of the Leased Premises which is useable by Tenant. Landlord agrees to repair such damage within a reasonable period of time after receipt from Tenant of notice thereof. Notwithstanding the foregoing, Landlord shall not be obligated to repair or replace Tenant's furniture, furnishings and equipment and shall not be obligated to bear the cost of repairing any damage caused by an act, omission or negligence of Tenant or Tenant's employees, agents, invitees, licensees or contractors. To the extent that such damage is caused by an act, omission or negligence of Tenant or Tenant's employees, agents, invitees, licensees or contractors, Landlord may, after notice to Tenant, make such repairs at the sole cost and expense of Tenant which cost shall be paid as an additional good or service provided by Landlord under Lease section 4.B.

If the Leased Premises are totally damaged or are rendered wholly untenable by fire or other casualty and Landlord shall decide not to restore or rebuild the same, or if the Building is so damaged that Landlord shall decide to demolish it or not to rebuild it, then Landlord shall within one hundred twenty (120) days after the happening of such fire or casualty, give

written notice of such decision to Tenant and thereupon the Term or any extension or renewal thereof shall expire upon the third (3rd) day after such notice is given and Tenant shall vacate the Leased Premises and surrender the same to Landlord. Upon termination of this Lease, as above provided, Tenant's liability for rent shall cease as of the day following the fire or other casualty and all payments on account of rental hereunder shall be fully adjusted between Landlord and Tenant as of such date.

- B. Tenant shall not be entitled to suspension or abatement of rent hereunder and hereby waives all claim for loss or damage on account of any interruption of the services to be furnished by Landlord, as the result of strikes, labor disputes, adverse weather or other causes beyond Landlord's control including but not limited to any curtailment of utility services due to reduction or restriction in service ordered by governmental authority or any utility supplier serving the Building; provided, however, the foregoing is not the result of Landlord's negligence or misconduct and that Landlord uses reasonable efforts to resolve any such interruption.

12. **JOINT AND SEVERAL LIABILITY:** If more than one natural person or entity shall constitute the Tenant, then the liability of each such person or entity shall be joint and several.

13. **BUILDOUT:**

- A. Landlord shall be responsible for completion of the build-out work consistent with the final build-out plans attached hereto as Exhibit "C". Landlord shall provide Tenant with a tenant improvement allowance of thirty two dollars (\$32.00) per leasable square foot of the Leased Premises (the "Improvement Allowance") to be applied against the construction costs (soft and hard) of the build-out work ("Landlord's Work") as set forth on Exhibit "C".
- B. Tenant shall be responsible for all costs for Landlord's Work in excess of the Improvement Allowance (such excess costs being the "Tenant's TI Share") as follows: (i) Upon final execution of the construction contract by Landlord for said build-out, Tenant shall advance to Landlord eighty percent (80%) of the estimated Tenant's TI Share; and (ii) Upon completion of the Landlord's Work, Tenant shall, within ten days of receipt of an invoice and related back-up materials, reimburse Landlord the amount of the actual Tenant's TI Share, less the sum paid by Tenant under (i) above. Notwithstanding anything contained herein to the contrary, Landlord and Tenant hereby acknowledge and agree that (i) the construction contract for the build-out work will be subject to Tenant's approval, (ii) the construction contract for the build-out work shall be a guaranteed maximum price contract, (iii) the construction contract for the build-out work shall provide that Tenant must approve any and all change orders in advance, (iv) to the extent that the initial budget for such construction contract is too high, Tenant shall have the option to reduce the scope of the budget.
- C. Upon the Lease Commencement Date, Tenant shall reimburse Landlord the difference between (x) the amount by which the actual construction cost for all design, permits and

construction work exceeds the Improvement Allowance, and (y) the amounts previously advanced by Tenant as set forth in (i) above.

- D. Tenant shall be given the opportunity to attend any and all construction meetings during the period of construction. Landlord shall provide Tenant with reasonable prior notice of the date, time and place of said meetings, no less than three days in advance thereof.
- E. Landlord covenants, represents and warrants to Tenant that on the Lease Commencement Date: (a) all of the Building systems and all of the structural components of the Building shall be in good and operable condition, and (b) to the best of Landlord's knowledge the Building does not contain any hazardous or toxic materials in violation of applicable law.
- F. Landlord shall comply with all applicable provisions of the Americans with Disabilities Act, and other applicable laws, codes and ordinances with respect to the Building and the Leased Premises.
- G. In addition to Landlord's repair, maintenance and replacement obligations elsewhere set forth herein, Landlord guarantees all existing mechanical, electrical, plumbing and office systems and all of Landlord's Work against defective workmanship and/or materials for a period of one (1) year from the Lease Commencement Date, and Landlord agrees, at its sole cost and expense, to repair or replace, or to cause Landlord's contractor to repair or replace, any such defective item occasioned by poor workmanship and/or materials or any such non-compliance during said one (1) year period. In addition to the warranties set forth hereinabove, Landlord shall grant to Tenant a nonexclusive assignment, to be shared in common with Landlord, its successors and assigns, of all warranties and guaranties obtained by Landlord from, and all rights of Landlord, with respect to defects in the construction and installation by, the general contractor and any other contractors, manufacturers, suppliers and vendors of Landlord with respect to both the Landlord's Work and all other elements of the Leased Premises.
- H. Tenant shall have the right to place signage on the exterior of the Building facing Route 19. Landlord and any applicable governmental entity shall approve any requested signage in writing prior to placement. All costs to procure and erect the signage shall be borne by Tenant.

14. QUIET ENJOYMENT: Landlord covenants, warrants and represents that upon execution of the Lease, Landlord has full right and power, and lawful authority to enter into, execute and perform this Lease for the full term granted herein and for all extensions provided herein, free and clear of all occupancies and tenancies, and to grant the estate demised herein; and, subject to Tenant's payment of the rent herein reserved and performance of the covenants and agreements hereof, subject to all applicable notice and grace periods, Tenant shall have the right to peacefully and quietly hold and enjoy the Leased Premises and all rights, easements, covenants, and privileges without hindrance or interruption by Landlord or any persons claiming by, through, or under it until the end of the Term.

15. CONDEMNATION: If the whole Building or any part thereof shall be taken by any government or public authority under the power of eminent domain, or conveyed in lieu thereof, and Tenant shall not be able to effectively operate in the Leased Premises, then the Term of this Lease shall cease from the day possession of the Building shall be taken and the Rent shall be paid up to that day. In the event that a material portion, but less than the whole, of the Building shall be taken, Landlord and Tenant shall each have the option, to be exercised within ninety (90) days of the date that possession of the part of the Building is taken, to terminate this Lease, and the Rent shall be paid up to the date of termination.

In the event this Lease is not terminated as aforesaid, then this Lease shall continue in full force and effect, except that the Rent shall be equitably reduced to the extent the Leased Premises are not reasonably usable for the purposes for which they are leased hereunder.

The entire compensation award, both fee and leasehold, shall belong to the Landlord without any deductions there from for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all its right, title and interest to any such award. Tenant shall, however, be entitled to such award as may be allowed for fixtures and other equipment installed by it, and other compensation allowed under the laws of the Commonwealth of Pennsylvania on account of damage to Tenant's business, but only if such award or other compensation shall be in addition to the award for the land and the Building.

16. NOTICES: Any notice, request, demand, approval or consent given or required to be given under this Lease shall be in writing and shall be deemed to have been given on the day when the same shall have been mailed by United States registered or certified mail, return receipt requested, or sent by a national overnight courier service, or delivered by personal delivery, with all charges prepaid, addressed, if intended to Landlord to c/o Michael Joseph Development Corporation, PO Box 1198 Wexford, PA 15090 , or, if intended for Tenant, to Tenant at 652 Midland Avenue, Midland, PA 15059; Attn: Eric Woelfel. Either party may, at any time, change its address for the above purposes by sending a notice to the other party stating the new address.

17. LEASE COMMISSIONS: Each of the parties represents and warrants that, except for any commission that may be owed by (i) Landlord to Colliers International ("Colliers") who will be compensated pursuant to a separate leasing commission agreement between Landlord and Broker and (ii) Colliers to Tenant's leasing agent, CBRE, Inc., who shall be responsible to negotiate a split of the commission paid by Landlord to Colliers, there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, and each party agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

18.. MISCELLANEOUS:

A. Successors and Assigns. This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord, its successors and

assigns, and shall be binding upon Tenant, its successors and assigns and shall inure to the benefit of Tenant and its permitted assigns.

B. Captions and Headings. Section captions and headings are for convenience of reference only and in no way shall be used to construe or modify the provisions set forth in this Lease.

C. No Discrimination. It is intended that the Building shall be operated so that all prospective tenants thereof, and all customers, employees, licensees and invitees of all tenants shall have the opportunity to obtain all the goods, services, accommodations, advantages, facilities and privileges of the Building without discrimination because of race, creed, color, sex, age, national origin or ancestry. To that end, Tenant will not discriminate in the conduct and operation of its business in the Leased Premises against any person or group of persons because of the race, creed, color, sex, age, national origin or ancestry of such person or group of persons.

No modification. This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No course of prior dealings between the parties or their officers, employees, agents or affiliates shall be relevant or admissible to supplement, explain, or vary any of the terms of this Lease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Lease. No representations, understandings, or agreements have been made or relied upon in the making of this Lease other than those specifically set forth herein. This Lease can be modified only by a writing signed by the party against whom the modification is enforceable.

E. Severability. If any term or provision, or any portion thereof, of this Lease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term or provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

F. Limited Liability. Notwithstanding anything in this Lease to the contrary, the liability of Landlord under this Lease shall be limited to its interest in the Building and Tenant agrees that no judgment against Landlord under this Lease may be satisfied against any property or assets of Landlord other than the interest of Landlord in the Building.

G. Third Party Beneficiary. Nothing contained in this Lease shall be construed so as to confer upon any other party the rights of a third party beneficiary except rights contained herein for the benefit of a mortgagee.

H. Corporate Tenants. In the event Tenant is a corporation, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that: Tenant is a duly constituted corporation qualified to do business in the state in which the Leased Premises are situate, and such persons are duly authorized by the board of directors of such corporation to execute and deliver this Lease on behalf of the corporation.

I. Applicable Law This Lease and the rights and obligation of the parties hereunder shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

19. LEASE DOCUMENTS:

The documents comprising this Lease shall consist of:

1. Lease Agreement
2. Rules and Regulations
3. Exhibit "A" - Leased Premises
4. Exhibit "B" - Building Standard Design Criteria
5. Exhibit "C" - Build-Out Plans
6. Exhibit "D" - Lease Cost Amortization Schedule

IN WITNESS WHEREOF, the undersigned LANDLORD and TENANT hereto execute this Lease as of the day and date first above written.

LANDLORD:
PINWOOD REALTY PARTNERS LP

By: SIPPEL CORP., the General Partner



Dennis J. Vith, Secretary of Michael Joseph Development Corporation,
Authorized agent for Sippel Corp. and Pinewood Realty Partners, LP

TENANT:
PENNSYLVANIA CYBER CHARTER SCHOOL

By: 
Title: CEO

RULES AND REGULATIONS

1. **Use of Leased Premises.** The Leased Premises shall be used only for that use specified in Tenant's Lease and Tenant shall not bring into or keep within the Building any pets, vehicles or any foul or obnoxious gas or substance in the Leased Premises, or permit or suffer the Leased Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations that interfere in an unreasonable way with other Tenants or those having business therein, nor shall kerosene, gasoline or inflammable or combustible materials be kept on the Leased Premises without the permission of Landlord.
2. **Signs.** No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed, printed or affixed on or to any part of the outside of the Building, or visible to the public from the outside of the Building without Landlord's consent, which should not be unreasonably withheld, conditioned or delayed; nor shall Tenant place anything or allow anything to be placed near any window, door, partition or wall which may be likely to fall or drop or which, at Landlord's sole discretion, shall appear unsightly from outside the Leased Premises, and Landlord shall have the right to remove any such item without notice to and at the expense of Tenant. and Landlord shall have the right to remove any such item without notice to and at the expense of Tenant
3. **Bulletin Board.** The bulletin board or directory of the Building will be provided exclusively for the display of the names and locations of tenants only, and Landlord reserves the right to exclude any other names therefrom.
4. **Tenant's Sign.** Landlord shall, at its expense, provide for and install at the entrance of Tenant's premises, signage for identification of Tenant's business in accordance with Landlord's standard signage system.
5. **Standard Window Treatment.** Tenant agrees to conform to Landlord's standard window treatment which shall be prescribed. Landlord is responsible for the initial cost and installation of the window treatments.
6. **Wiring.** When wiring of any kind is introduced by Tenant, it must be installed as directed in accordance with the plans and specifications agreed to by Landlord in connection with the Landlord's Work or by Landlord, and no boring or cutting for wires will be allowed except with the consent of Landlord. The location of telephone equipment and other office equipment affixed to the Leased Premises shall be as set forth in plans and specifications agreed to by Landlord in connection with the Landlord's Work or as prescribed by Landlord. All data, phone or other low voltage wiring shall be at Tenant's exclusive cost.
7. **Plumbing.** The toilets, urinals, wash bowls and other apparatus and plumbing facilities in any part of the Building shall not be used for any purpose other than for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and

the expense of any breakage, stoppage or damage solely resulting from the violation of this rule shall be borne by the Tenant who, or whose employees or invitee, shall have caused it.

8. **Floor Coverings.** Tenant shall lay no linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Leased Premises in any manner except as approved by the Landlord. The expense of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by the Tenant who, or whose contractors, employees, or invitee, shall have caused it.
9. **Heating and Air-conditioning.** Tenant shall not install or operate in the Leased Premises any heating or air-conditioning equipment other than that provided by Landlord without the prior written consent of Landlord.
10. **Entry Doors.** The doors between Tenant's premises and the corridors and stairway doors of the Building shall at all times, except when in actual use, be kept closed.
11. **Halls and Stairways.** The entries, passages, stairways and elevators shall not be obstructed by Tenant, or used for any other purpose other than entering or leaving the Leased Premises.
12. **Moving Furniture, Safes, etc.** No furniture, freight or equipment of any kind shall be brought into or removed from the Building in such a way that it unreasonably interferes with a tenant's use and occupancy of the Building. No furniture, freight or equipment of any kind shall be brought into or removed from the Building without the consent of Landlord or Landlord's agent; and all moving of same into or out of Building, by Tenant, shall be done at such time and in such manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building, and also the times and manner of moving the same in and out of the Building. Landlord will not be responsible for loss or damage to any such safe or property from any cause; but all damage done to the Building by moving or maintaining any such safe or property shall be repaired at the expense of Tenant by contractors or mechanics named by Landlord.. Except to the extent caused by Landlord's negligence or misconduct, Landlord will not be responsible for loss or damage to any such safe or property from any cause; but all damage done to the Building by moving or maintaining any such safe or property shall be repaired at the expense of Tenant by contractors or mechanics named by Landlord.
13. **Defacing of Leased Premises.** Tenant shall not mark, drive nails, screw or drill into the partitions, woodwork, or plaster, mark or defile elevators, water-closets, toilet rooms, walls, windows, or any part of Building, or throw dirt or other substances about the Building, or in any way deface the Leased Premises of the Building or any part thereof. Tenant shall have the right to hang pictures and bulletin boards on the walls without Landlord's consent.
14. **Locks.** Tenant shall not alter any lock or install any new additional locks or bolts on any door of the Leased Premises, without permission of Landlord.

15. **Keys and Key Fobs.** The Tenant agrees not to have any duplicate keys made without the consent of Landlord, and if needed duplicate keys for interior offices will be provided by Landlord at a nominal charge. Upon termination of the Lease, Tenant shall surrender all keys; provided, however, that the surrender of such keys shall not in itself be considered as a termination of the Lease or a surrender of the Leased Premises. Landlord shall provide key fobs for entry into the Building. Tenant shall be charged \$25.00 for each lost and replaced key fob. Tenant shall control the access and security within their Premises.
16. **Work Requests.** Requests for work shall be directed to the Landlord.
17. **Janitor Service.** Tenant shall, at its cost, be solely responsible for cleaning the Leased Premises. Tenant shall not employ any person or persons reasonably objected to by Landlord for cleaning services.
18. **Areas Used In Common.** Areas used in common by Tenant and other tenants shall be subject to such reasonable regulations as Landlord may prescribe.
19. **Violation of the Rules.** Landlord reserves the right to expel from the Building any person who in the reasonable judgment of Landlord or Landlord's representative is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of any of the rules and regulations of the Building.
20. **Security Precautions.** Doors of the Leased Premises are to be closed and securely locked before leaving the Building, and Tenant must observe strict care and caution that all water faucets or apparatus are shut off before Tenant's employees leave the Building.
21. **Building Admittance.** Saturdays, Sundays and legal holidays and on other days between the hours of 11:00 p.m. and 6:00 a.m., access to the Building or to the halls, corridors, elevators or stairways in the Building, or to the Leased Premises may be refused unless the person seeking access is known to the person or employee of the Building in charge and has a pass or is properly identified. Except to the extent caused by Landlord's negligence and willful misconduct, Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors or otherwise, for the safety of the tenants and protection of the Building and property on the Building.
22. **Deliveries and Services.** Delivery of drinking water, towel service, special mail service, etc. may be made so as not to disturb the operations of other tenants. Tenant shall only cause to be used rubber wheeled dollys to transport deliveries in the common areas for purposes of protecting the common area flooring. No steel wheeled dollys shall be permitted in the Building.

23. **Vending Machines.** No vending machine or machines of any description shall be installed, maintained or operated upon the Leased Premises without the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.
24. **Soliciting.** Tenant shall not unreasonably disturb, solicit or canvas any occupant of the Building and shall cooperate to prevent the same.
25. **Admittance to Roof.** No person shall go upon the roof without Landlord's permission.
26. **Use of Building Name.** Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promoting or advertising, the business of Tenant except as Tenant's address.
27. **Non-Observance by Other Tenants.** Landlord shall not be responsible to Tenant for any non-observance of these Rules and Regulations on the part of other tenants; provided, however, that Landlord shall uniformly enforce these Rules and Regulations against all tenants of the Building.
28. **Loss of Property.** Except to the extent caused by Landlord's negligence and willful misconduct, Landlord shall in no event be responsible to Tenant for any loss of property from the Leased Premises, however occurring, or for any damage done to the furniture or other effects of Tenant by Landlord or others.
29. **No Smoking.** The Building and the Leased Premises are, per applicable Marshall Township, PA Ordinances, non-smoking areas. Smoking shall only occur in Landlord's designated smoking areas.
30. **Patios and Balconies.** Landlord retains the right to exclusive control of the types of furniture and equipment Tenant shall place on patios and balconies to insure structural integrity relating to excess weight. Tenant shall not cook or have any cooking equipment, such as grills on the patios and balconies. Tenant shall insure that other tenants' rights to quiet enjoyment at the Building are maintained and Tenant shall not, by way of example, play loud music or engage in any other conduct deemed a nuisance on the patios and balconies.
31. **Amendments.** Landlord reserves the right to make such change and additions to these Rules and Regulations as in its judgment may be necessary for the safety, care and cleanliness of the Leased Premises and the Building and or the preservation of good order therein. Tenant agrees to abide by all such Rules and Regulations hereinabove stated and any additional Rules and Regulations which are adopted by Landlord and provided to Tenant in advance.

EXHIBIT A
LEASED PREMISES
See Attached

SDA

EXHIBIT 'A'

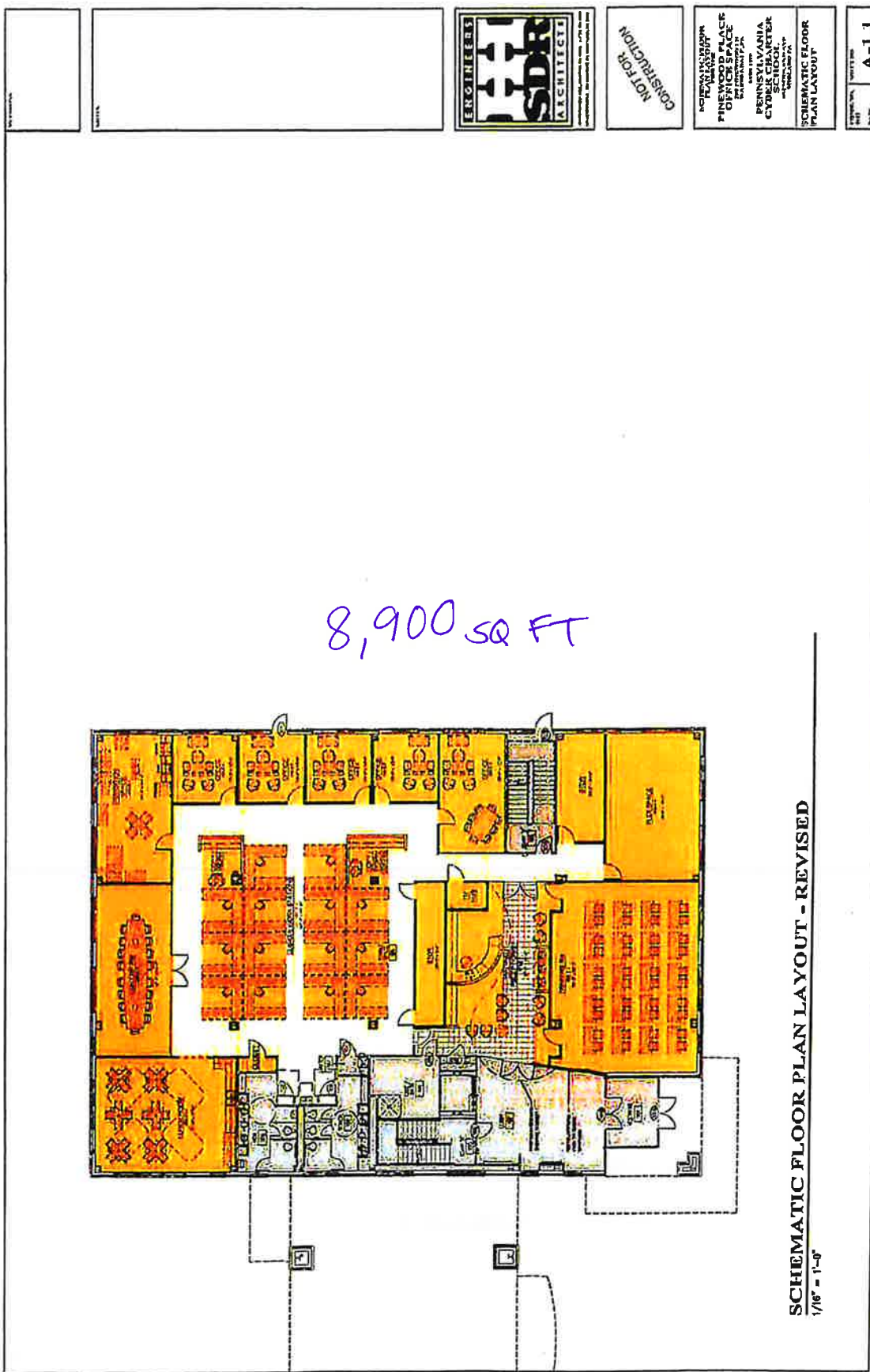


EXHIBIT 'A'

EXHIBIT B
BUILDING STANDARD DESIGN CRITERIA

INTENTIONALLY OMITTED

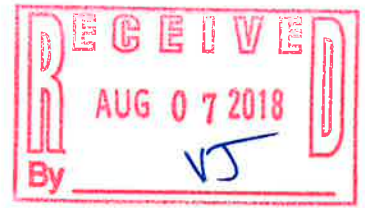
Tenant  Landlord 

EXHIBIT C
BUILD-OUT PLANS
TENANT TO PROVIDE TO LANDLORD

Tenant  Landlord 

EXHIBIT D
LEASE COST AMORTIZATION SCHEDULE

Tenant  Landlord 



LEASE COMMENCEMENT AGREEMENT

LANDLORD: Pinewood Realty Partners, LP
TENANT: Pennsylvania Cyber Charter School
LEASE DATE: December 1, 2017
PREMISES: 200 Pinewood Lane, Suite 100, Warrendale, PA 15086

Landlord and Tenant acknowledge and agree that the Lease Commencement Date of the above-referenced Lease is June 6, 2018 and the Expiration Date of the Lease is September 30, 2028.

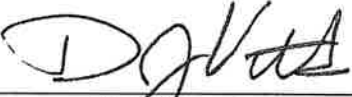
Landlord's Lease Costs total \$405,630.00 as more fully described on the attached Exhibit D which will become an Exhibit to the above mentioned Lease.

The Lease Year's and Monthly Rental are as follows;

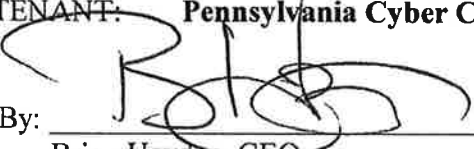
Period	# of Months	Monthly Rent
6/6/18 thru 9/5/18	3	\$0.00
9/6/18 thru 9/30/18	partial	\$15,142.36
10/1/18 thru 6/30/19	9	\$18,170.83
7/1/19 thru 6/30/20	12	\$18,541.66
7/1/20 thru 6/30/21	12	\$18,912.50
7/1/21 thru 6/30/22	12	\$19,283.33
7/1/22 thru 6/30/23	12	\$19,654.16
7/1/23 thru 6/30/24	12	\$20,025.00
7/1/24 thru 6/30/25	12	\$20,395.83
7/1/25 thru 6/30/26	12	\$20,766.66
7/1/26 thru 6/30/27	12	\$21,137.50

7/1/27 thru 6/30/28	12	\$21,508.33
7/1/28 thru 9/30/28	3	\$21,879.17

LANDLORD: **Pinewood Realty Partners, LP**
a Pennsylvania limited partnership

By: 
Dennis J. Vith, Secretary of Michael Joseph
Development Corporation, the authorized agent
for the Landlord

TENANT: **Pennsylvania Cyber Charter School**

By: 
Brian Hayden, CEO

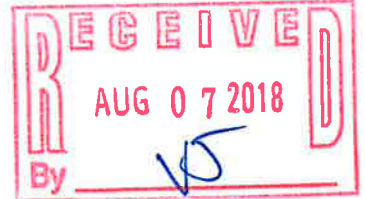
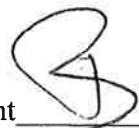


EXHIBIT D

LEASE COST AMORTIZATION SCHEDULE

Detail of Landlord Lease Costs:

Tenant Improvement Allowance	\$284,800
Lease Commissions	\$117,513
Building Permit	\$1,829
Legal	<u>\$1,488</u>
Total Landlord Lease Costs	\$405,630
Months in Initial Term	<u>123</u>
Monthly Amortization	<u>\$3,298</u>
Months of Initial Term remaining at Early Termination	<u>63</u>
Unamortized Lease Costs due to Landlord from Tenant	<u>\$207,774</u>

Tenant 

Landlord 

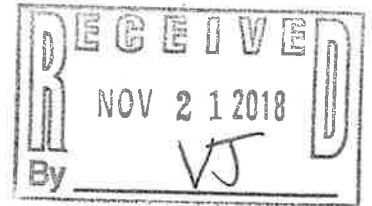


EXHIBIT "B"

LEASE AND RENT COMMENCEMENT DATE ACKNOWLEDGEMENT

Date 11/13/2018

Landlord: City Centre, LP
PO Box 615
Wilkes Barre, Pa 18703

Tenant: The Pennsylvania Cyber Charter School
652 Midland Ave.
Midland, Pa 15059

RE: 40 East Northampton St., Wilkes Barre, Pa 18701

Landlord and Tenant hereby acknowledge the following, related to the Lease for the Premises identified above: the Lease Commencement Date is 11/1/2018, the Initial Lease Term Expiration is 10/31/2028 and the Rent Commencement Date is 12/1/2018. Tenant is in receipt of all keys and the property has been completed in accordance with the Lease.

This Commencement Date Acknowledgment is executed as of the day and year first above set forth.

LANDLORD:

City Centre, LP

By: [Signature]
Name: Liana Kissinger
Its: Property Leasing Mgr

TENANT:

The Pennsylvania Cyber Charter School

By: [Signature]
Name: Brian Hayden
Its: CEO



REAL ESTATE LEASE

This Real Estate Lease (this "Lease") is dated 5/23/18, by and between **City Centre, LP**, ("Landlord"), and The Pennsylvania Cyber Charter School, a Pennsylvania non-profit corporation ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant approximately 6,220 square feet of commercial space (the "Premises") located at **40 East Northampton St., Wilkes Barre, PA 18701** and as more particularly described in Exhibit "A" attached hereto and made a part hereof. Any and all common areas are for the use of all Tenants and shall not be used as a storage area by any Tenant. All common areas shall be kept in their current condition at the commencement of this Lease, normal wear and tear excepted.

TERM. The Lease term will commence upon the date Landlord completes the "Landlord's Work" as set forth in Exhibit "A" attached hereto and delivers the Premises to Tenant (the "Commencement Date"), and will terminate one hundred twenty (120) months from the Commencement Date (the "Initial Lease Term"), unless otherwise extended pursuant to the terms of this Lease. Landlord and Tenant hereby agree to execute a Lease and Rent Commencement Date Acknowledgement, within fifteen (15) days of the Commencement Date, in the form attached hereto as Exhibit "B". Notwithstanding the foregoing, if Landlord, due to delay in Landlord's Work or for any other reason whatsoever, is unable to deliver possession of the Premises to Tenant within one hundred eighty (180) days from the date of full execution of this Lease, then Tenant shall have the right to terminate this Lease upon written notice to Landlord and Landlord shall return any pre-paid rent and the Security Deposit to Tenant within ten (10) days of such notice of termination.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly installments of **\$8,552.50** (the monthly base rent), plus applicable estimated payments toward **property taxes**, presently estimated at **\$59.31** per month, plus Additional Rent as defined below. All rent and additional rent payments shall be payable in advance on the first (1st) day of each month without notice or demand, and without abatement, or set-off, by check or wire transfer. Said lease payments shall begin thirty (30) days after the Commencement Date (the "Rent Commencement Date"). Any partial month's rent shall be pro-rated. At the time of the signing of this Lease, Tenant shall pay to Landlord **\$9,829.90** which shall represent the first month's monthly base rent under this Lease, Additional Rent, and the Tenant's share of estimated property taxes for the Premises for the first month of this Lease. Such payment shall be in addition to any security deposit required. Lease

payments shall be made to the Landlord at P O Box 615, Wilkes Barre, PA 18703, which address may be changed from time to time by the Landlord.

ADDITIONAL RENT. Tenant covenants to pay to Landlord Additional Rent for property management, common area maintenance, insurance and association dues during the Term of this Lease. The specific services shall be reasonably determined by Landlord and currently include but are not limited to the following: 5 day/week staff for general clean-up of common areas including the private parking garage, common garbage collection area, garage entrance/exit areas including automatic gates, interior walkway areas and garage elevator; utility costs serving the lighting, heating, fire protection and security of the common areas and mechanical areas; Vector Security for common area cameras and fire alarm system; sprinkler service testing, monitoring and maintenance; insurance covering all common areas and mechanical areas; office staff for control and oversight of expenses and services related to common areas and development services; office trash and recycling containers located within the common areas; monthly exterior window cleaning; snow and ice clean-up, as needed, 7 days/week; exterior sidewalk clean-up, maintenance and repair.. 1 on-call person is available for emergency and weekend service.

For months 1-60, the monthly Additional Rent payment shall be \$1,218.09; For months 61-120, the monthly Additional Rent payment shall be \$1,347.67. During any Renewal Term the Additional Rent amount shall be adjusted to reflect current property needs and expenses. The adjusted Additional Rent rate applicable for the Renewal Term shall be provided to Tenant by Landlord no less than two hundred forty (240) days prior to the expiration of the Initial Lease Term.

SECURITY DEPOSIT. At the time of the signing of this Lease, Tenant shall pay to Landlord, in trust, a security deposit of \$9,829.90 to be held and disbursed for Tenant damages to the Premises (if any) as provided by law. → Paid on 6/15/18 Chk #147586 (Along w/ 1st month rent pymt)

POSSESSION. Tenant shall be entitled to possession on the Commencement Date and shall yield possession to Landlord on the last day of the term of this Lease (including any extensions or renewals), unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear and casualty excepted. Notwithstanding the foregoing, Tenant shall be given early access to the Premises, no less than 30 days prior to the Commencement Date, solely for the purposes of completing Tenant's Work (if any), installing fixtures or otherwise preparing the Premises for Tenant's occupancy; provided that Tenant's early access of the Premises shall be subject to all terms and provisions of this Lease, except with respect to the payment of base rent or Additional Rent in connection with the Premises, but including without limitation Tenant's insurance obligations as set forth in this Lease. Tenant's early access shall be upon Landlord's prior consent, such consent not to be unreasonably withheld.

USE OF PREMISES. Tenant may use the Premises only for the purposes of general office space to support the operations of a cyber charter school. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

PARKING. Tenant shall be entitled to the use of two (2) of the shared parking space(s) in the rear secured private parking garage, as identified on the attached site plan, for the parking of the Tenant's employee(s), at no additional charge. Currently five (5) parking spaces are allotted in the City Centre owned parking lot located at the corner of Washington St and Northampton St ("Washington St. Lot"), for customer use by City Centre development businesses. Additional parking spaces dedicated for Tenant are available in the Washington St. Lot. At any time during the first year of this Lease, Tenant shall have the right to lease available spaces in the Washington St. Lot at the reduced rate of \$50.00 per month, per parking space. After the first year of this Lease, Landlord reserves the right to increase the monthly rental rate for parking spaces in the Washington St. Lot.

PROPERTY INSURANCE. Landlord and Tenant shall each maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain glass insurance and any other insurance, which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises with personal injury limits of at least \$500,000.00 for injury to one person, and \$1,000,000.00 for any one accident, and a limit of at least \$500,000.00 for damage to property. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall make such liability insurance effective as of the Commencement Date or any early access to the Premises, and shall keep such insurance in force throughout the term of this Lease and any extensions and renewals thereof.

RENEWAL TERMS. Tenant shall be entitled to renew this Lease for one (1) additional period of five (5) years. Tenant shall notify Landlord of Tenant's

election to renew or terminate this Lease, no less than one hundred eighty (180) days prior to the expiration of the Initial Term of this Lease. The lease terms during the renewal term shall be negotiated and agreed to in writing no less than one hundred eighty (180) days prior to the expiration of the Initial Term of this Lease.

MAINTENANCE.

Landlord shall maintain and keep the parking area and common facilities of the commercial center in good order, condition and repair, including the parking lot surface, adequate lighting, painting and drainage (further defined previously, Additional Rent paragraph). Tenant shall furnish to Landlord written notice of any and all accidents, fires or other damage occurring in or to the Premises or any common areas.

Landlord's obligations for maintenance shall include:

- the roof, outside walls, and other structural parts of the building in which the Premises is located (which excludes exterior doors and windows)

Tenant's obligations for maintenance shall include:

- the interior sewer, water pipes, and other matters related to plumbing located in and serving the Premises
- the interior electrical wiring located in and serving the Premises
- the maintenance and repair of the HVAC system exclusively serving the Premises
- all other items of maintenance related to the Premises not specifically delegated to Landlord under this Lease.

Landlord warrants that, on the Commencement Date of the Lease, the HVAC system exclusively serving the Premises is new and in good and operable condition.

UTILITIES AND SERVICES. Tenant shall be responsible for all utilities and services incurred in connection with Tenant's use of the Premises, effective upon the first day of the term of this Lease.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Tenant shall pay all real estate taxes and assessments, including any and all increases and adjustments, excluding any interest or penalties which shall arise from Landlord's failure to pay the tax or assessment in a timely manner, which are assessed against the Premises during the time of this Lease. Tenant's percentage of occupancy is 83.85% of Parcel # 73-H9SE2-024-001-104 (Improvements) plus 5.88% of Parcel #73-H9SE2-024-001(Land). Such payments are identified as the

monthly estimated property taxes. In the event that the total expense incurred by Landlord differs from the fees collected from Tenant, an annual adjustment payment, or credit to Tenant in the case of an overpayment, will be required and an adjustment will be made to the minimum monthly estimated cost. At the commencement of this Lease, the Improvements of the Premises are not subject to property taxes due to KOZ eligibility. At the time that property taxes become due and payable on the Premises, an estimated payment will be added to the then current Base Rent and Additional Rent payment to calculate the total monthly rent payment. The KOZ eligibility for Parcel #73-H9SE2-024-001-104 expires 12/31/2019.

DESTRUCTION OR CONDEMNATION OF PREMISES. If the Premises are partially destroyed by fire or other casualty to an extent that prevents the conducting of Tenant's use of the Premises in a normal manner in Tenant's sole discretion, and if the damage is reasonably repairable within sixty (60) days after the occurrence of the destruction, and if the cost of repair is less than \$20,000.00, Landlord shall repair the Premises and a just proportion of the lease payments shall abate during the period of the repair according to the extent to which the Premises have been rendered untenable. However, if the damage is not repairable within sixty (60) days, or if the cost of repair is \$20,000.00 or more, or if Landlord is prevented from repairing the damage by forces beyond Landlord's control, or if the property is condemned, this Lease shall terminate upon twenty (20) days' written notice of such event or condition by either party and any unearned rent paid in advance by Tenant shall be apportioned and refunded to it and the Security Deposit shall be returned to Tenant. Tenant shall give Landlord immediate notice of any damage to the Premises.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within five (5) days (or any other obligation within ten (10) days; provided, however, that in the event such non-monetary obligation cannot be cured with reasonable diligence during such ten (10) day period, Tenant shall not be in default so long as Tenant continues with reasonable diligence to attempt to cure the same for such additional period of time as may be required not to exceed an additional sixty (60) days) after written notice of such default is provided by Landlord to Tenant, Landlord may terminate this Lease and take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages accrued prior to such termination. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses actually incurred) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature

and are in addition to any other rights afforded by law. Notwithstanding anything contained in this Lease to the contrary, Landlord hereby acknowledges and agrees that Landlord shall use commercially reasonable efforts to mitigate its damages in the event of a default by Tenant under this Lease.

LATE PAYMENTS. For each payment that is not paid within five (5) days after its due date, Tenant shall pay a late fee of \$15.00 per day, beginning with the day after the due date.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to 150 % of the monthly base rent in effect for the last month of the expired Initial Lease Term or Renewal Term (as applicable).

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Tenant shall be charged \$35.00 for each check that is returned to Landlord for lack of sufficient funds.

SIGNAGE. Tenant shall install signage on the portion of the building facade directly above the entrance doors of the Premises, on Washington St and/or Northampton St. Power connection(s) for Tenant's signage shall be provided by Landlord, prior to possession of the Premises being delivered to Tenant. Tenant shall design, permit and install signage at its sole cost and expense. Tenant shall install channel letters on a raceway for such signage, or other signage, with Landlord's prior approval, such approval not to be unreasonably withheld, conditioned or delayed.

REMODELING OR STRUCTURAL IMPROVEMENTS. Landlord agrees to complete the construction outlined in the floorplan and finish schedule (the "Landlord's Work"), attached hereto as "Exhibit A", within one hundred fifty (150) days of the full execution of this Lease. Landlord shall warranty all labor and material for the first twelve (12) months of this Lease. Landlord shall transfer all material warranties extending beyond 12 months to Tenant. Tenant shall have the obligation to conduct any additional construction or remodeling (at Tenant's expense) that may be required for its use of the Premises as specified above (the "Tenant's Work"). Tenant may also install such fixtures on the Premises (at Tenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be installed only with the prior written consent of the Landlord, which shall not be unreasonably withheld, conditioned or delayed. Tenant shall not install awnings or advertisements on any part of the Premises without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. At the end of the lease term,

Tenant shall be entitled to remove (or at the request of Landlord shall remove) such fixtures, and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Lease, reasonable wear and tear and casualty excepted.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld) and upon reasonable prior notice, Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Landlord does not assume any liability for the care or supervision of the Premises excepting Landlord's (or its agents, workers or invitees) gross negligence or willful misconduct. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent but shall notify Tenant of such entry as soon as reasonably practical. During the last three (3) months of this Lease (including any extension or renewal of this Lease), Landlord shall be allowed to display the usual "To Let" signs and, upon reasonable prior notice, show the Premises to prospective tenants. Tenant agrees that the lock cylinders in both the front and rear door(s) shall not be changed without the written consent of Landlord (which shall not be unreasonably withheld, conditioned or delayed). Landlord agrees to take all reasonable steps to minimize any interference in Tenant's business operations as of result of any such entry permitted under this paragraph.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the Premises, except Landlord's act or negligence.

DANGEROUS MATERIALS/HAZARDOUS MATERIALS. Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord. Landlord represents and warrants that the building and the Premises is entirely free and shall remain free of asbestos and asbestos containing materials, polychlorinated biphenyl and other hazardous materials.

COMPLIANCE WITH REGULATIONS/ADA. Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters with respect to its use of the Premises. However, Tenant shall not by this provision be responsible for or required to make alterations to the exterior of the building or alterations of a structural nature to the Premises or the common areas. Landlord

represents and warrants that the building and the Premises fully comply with the provisions of the Americans with Disabilities Act of 1990 and all local requirements.

MECHANICS LIENS. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the Premises free of all liens resulting from construction done by or for the Tenant.

BROKER. Landlord and Tenant each represents and warrants that other than CBRE ("Tenant's Broker"), neither party has engaged or employed any real estate broker, agent or other intermediary in connection with this Lease. Landlord hereby covenants and agrees that it shall be responsible for the payment of commissions owed to CBRE by the execution of this Lease. Landlord shall pay CBRE pursuant to the terms of a separate agreement. Landlord and Tenant each represents and warrants that, other than CBRE, there are no other brokers that may be entitled to a commission for this transaction. Each party hereto shall indemnify and hold harmless the other party hereto from and against any and all losses, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees and related costs) resulting from any claims that may be asserted against such other party by any other real estate broker, finder or intermediary, arising from any act of the indemnifying party in connection with this Lease.

VENUE. The parties hereto agree that the Courts of the Common Pleas of and for Luzerne County, Pennsylvania, shall have the primary jurisdiction for any and all disputes and/or breaches arising from this Lease.

ESTOPPEL CERTIFICATE. Tenant shall from time to time, within fifteen (15) days of Landlord's written request, execute, acknowledge and deliver to Landlord a written instrument in recordable form certifying (i) that this Lease is in full force and effect and has not been amended (or if it has been amended, that it is in effect as amended, stating such amendments); (ii) the dates to which the rents and other charges arising hereunder have been paid; (iii) the amount of any prepaid rents or credits due Tenant; (iv) if applicable, that Tenant has accepted possession, and has entered into occupancy of the Premises, and the Commencement and Expiration Dates; (v) the amount of any security deposits; (vi) any other fact or condition reasonably requested. Any certification delivered pursuant to the provisions of this article shall be intended to be relied upon by any mortgagee or prospective mortgagee or purchaser of the property or of any interest therein.

The failure of Tenant to execute, acknowledge and deliver to Landlord such written instrument as specified above, in the time allotted, shall constitute an acknowledgement by Tenant that such statements listed above are fact. This shall be relied upon by any mortgagee, prospective mortgagee, or any purchaser of the property or any interest therein.

SUBORDINATION OF LEASE. This Lease is subordinate to any mortgage that now exists, or may be given later by Landlord, with respect to the Premises. Notwithstanding the foregoing, in the event of the foreclosure of any such mortgage or of any other action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be terminated and the rights of Tenant hereunder shall not be disturbed if, at that time, Tenant shall not be in default in the payment of base rent, Additional Rent or any other charges, payments, costs or expenses required to be paid by Tenant hereunder or in the performance of any other obligation on the part of Tenant to be performed hereunder, and Tenant shall attorn to any person or persons purchasing or otherwise acquiring the Premises or the building or the real property on which the Premises is located.

ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor effect a change in the majority ownership of the Tenant (from the ownership existing at the inception of this lease), nor assign, mortgage or pledge this Lease, without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by certified or registered mail, return receipt requested, addressed as follows:

LANDLORD:

City Centre, LP
P O Box 615
Wilkes Barre, Pennsylvania 18703

(570) 287-5343

TENANT:

The Pennsylvania Cyber Charter School
652 Midland Ave.
Midland, Pa 15059

(724) 643-1180

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

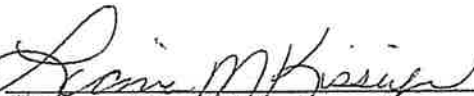
ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by both parties.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

LANDLORD:
City Centre, LP

By:  Date: 5/23/18
Briana M. Kissinger
Property & Leasing Manager

TENANT:
The Pennsylvania Cyber Charter School,
a Pennsylvania non-profit corporation

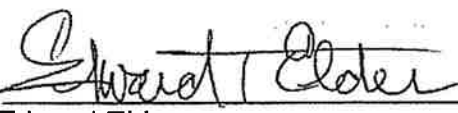
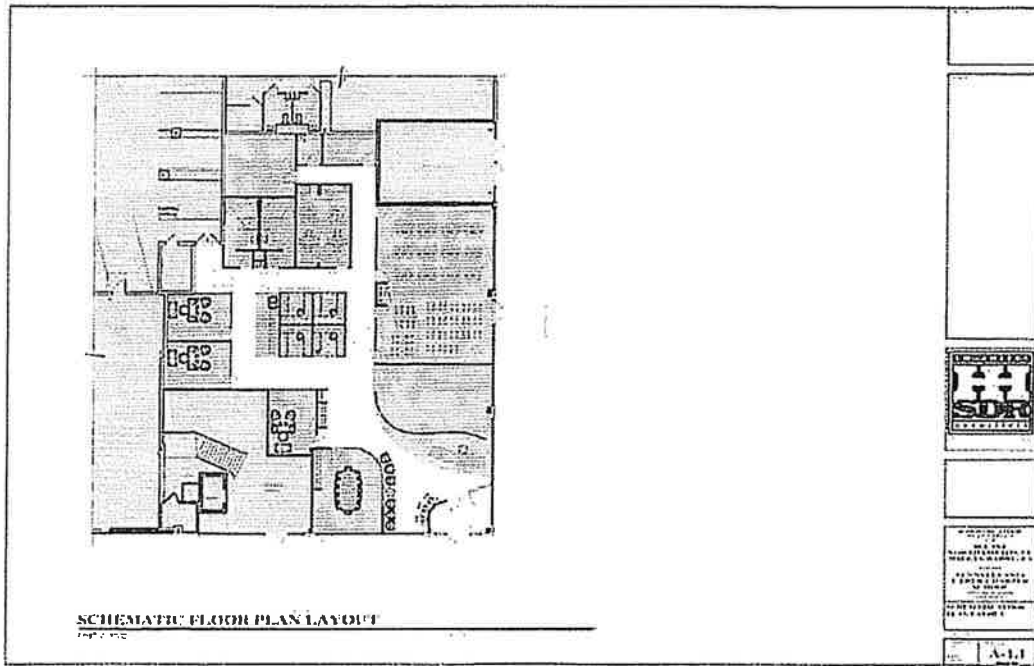
By:  Date: 5-21-18
Edward Elder
Board President

EXHIBIT "A"



Construction to be completed by Landlord

	Manufacturers	Key	Colors
Paint Selections			
All paint color selections by Sherwin Williams			
Walls	Paint	Ceiling	SW#7055 – Pure White
	Paint		Final wall paint colors to be determined by PA Cyber
	Paint		
	Paint		
	Paint		
Casework			
Plastic Laminate Casework (All cabinets, Kitchen and Copy/Work/transition space)	Formica /8841-WR/	Kitchen Cabinets	Color: White Ash/finish: Woodbrush
Countertop (All locations)	Solid Surface/Corian	Kitchen Countertop	Natural Gray
Hardware Pulls All Locations		Kitchen	Brushed Chrome
Flooring/Base			
CPT-Carpet (Type 1 noted on finish schedule)	Shaw Central Line Tile	Offices	Style#:5T176/Color 72516/ Scenic Citron Herringbone pattern
CPT Carpet (Type 2 noted on finish schedule)	Shaw-Uncover Tile	Conference Room	Style #:5T150/Color 50150/pewter/herringbone pattern
LVT	Karndean WP313		Ignea
Porcelain Floor Tile / Base	Crossville 12” x 12” Porcelain Floor Tile / Base 4” x 12” Bull nose	Men and Women Toilet Restrooms	“Vista Americana” / color: Foothills #AV182
Grout	Custom Building Products	Men and Women Toilet Rooms	#10 Antique White
Rubber Base	Johnsonite - Reveal		Icicle – 4 ½”

Miscellaneous:			
Tile Backsplash	Moonlight Subway Glass Wall Tile	Lunchroom/Break Area/ Copy / Coffee	MNLTGRY0206
Ceiling Tile and Grid	Armstrong – Ultima (Beveled Tegular – 15/16" grid)	Throughout	White
Sink/Faucet	Dayton D233224 Delta 400-DST	Kitchen	Stainless Steel/Chrome
Partitions	Scranton Products, Hiny Hiders HDPE	Men and Women Restrooms	TBD
Doors		Offices (3)	Glass – SLIDING
		Conference Room	Glass – SLIDING
		Flex (2)	Glass – SWINGING
		Training (2)	GLASS - SWINGING
		Kitchenette	Java Wood
		Mens/Ladies (2)	Java Wood
		Storage	Java Wood
		Janitor	Java Wood
		IT/HUB	Java Wood
Lighting			\$20,000 allowance included towards accent lighting, to cover any pendant lights, wall grazers/wall washers

All Retail Spaces - Partial First Floor Plan

Northampton & Main Street
 Wilkes-Barre, Pennsylvania 18701

**LINCOLN
 PROPERTY
 COMPANY**

101 Centerville Avenue, 17th
 Floor East
 Washington, DC 20001
 Tel: 202-313-0700



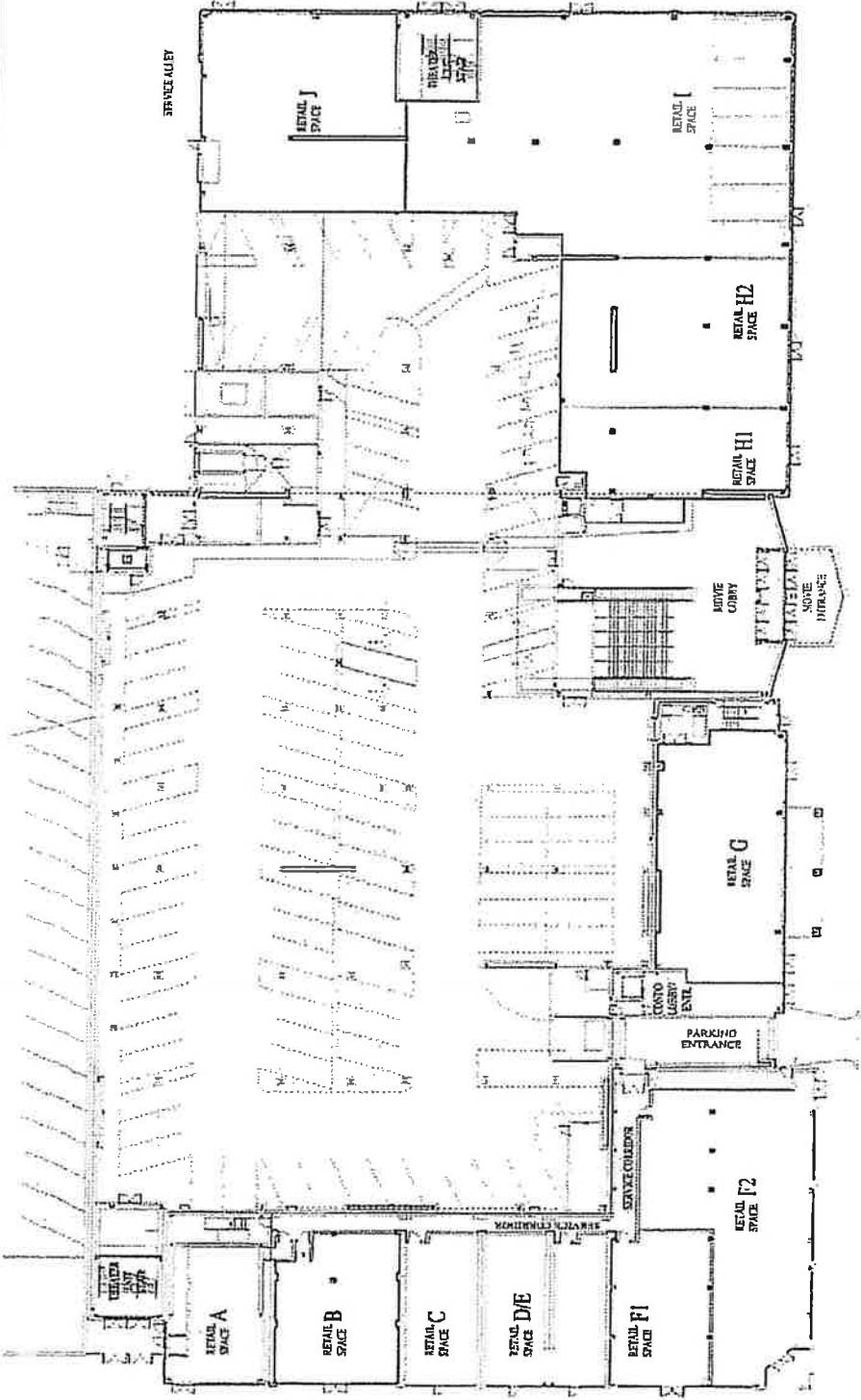
William Krauman, Lewis & Clark
 22 S. Main Street, Wilkes-Barre, PA
 Tel: 717-233-0991, w.krauman.com

Total Leasable Space includes centerline of shared interior walls,
 outside face of exterior walls & centerline of glass at exterior walls.

SOUTH WASHINGTON STREET

EAST NORTHAMPTON STREET

SOUTH MAIN STREET



Space(s)	Total Leasable Space
A	1,128± S.F.
B	1,794± S.F.
C	1,070± S.F.
D/E	1,787± S.F.
F1	1,455± S.F.
F2	3,624± S.F.
F2a	1,962± S.F.
F2b	1,662± S.F.
G	2,976± S.F.
H1	1,843± S.F.
H2	3,080± S.F.
I	7,623± S.F. (9,212)
J	3,812± S.F.
H,I&J	16,417± S.F. (18,006)

Liana M. Kissinger
Property & Leasing Manager



Phone: 570-287-5343 Fax: 570-287-5347

Liana@joeamatoproperties.com

July 26, 2019



PA Cyber Charter School
652 Midland Avenue
Midland PA 15059

ATTENTION: Eric Woelfel, Deputy Chief Operations Officer


Dear Eric,

This letter shall serve as our agreement to renew our Lease Agreement dated October 15, 2018 for parking spaces (#7, #8, #9, #9A, #10, #11, #12, #13, #14, #15) located in the parking lot at the corner of East Northampton Street and South Washington Street in Wilkes-Barre, PA 18701.

The renewal period shall commence on November 1, 2019, for a period of (1) one year and terminate on October 31, 2020. The monthly rental rate shall remain at \$500.00.

All other terms and conditions of the Lease Agreement not specifically modified by this document shall remain in full force and effect.

By signing below both parties agree to all terms and conditions contained herein:

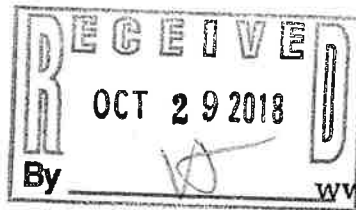


Tenant Date

 7-26-19

Landlord Date

--Gateway Shopping Center--West End Plaza--East End Centre--
--City Centre--Scott Town Plaza--joeamatoproperties.com



Ph. 570.287.5343
Fax. 570.287.5347
www.joamatoproperties.com

This parking space Lease agreement (this "Lease") is dated OCTOBER 15th, 2018 by and between City Centre LP ("Landlord") and PA Cyber Charter School, a Pennsylvania non-profit corporation ("Tenant") collectively known as the "Parties." The Parties hereby agree as follows:

- 1. Premises.** Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant vehicle parking space(s) #7, #8, #9, #9A, #10, #11, #12, #13, #14, #15 (the "Premises") located in the parking lot at the corner of East Northampton Street and South Washington Street, Wilkes-Barre PA 18701 (the Property.)
- 2. Term.** The lease term will begin on November 1, 2018 and will terminate on October 31, 2019.
- 3. Lease Payments.** Tenant shall pay to Landlord monthly installments of \$500.00 payable in advance on the 1st day of each month, without notice or demand, and without abatement, or set-off, by check or wire transfer. At the time of the signing of this lease, Tenant shall pay to Landlord \$500.00, which shall represent the first month's payment (November 1, 2018 - November 30, 2018). Such payment shall be in addition to any security deposit required. Lease payments shall be made to the Landlord at P O Box 615, Wilkes Barre, PA 18703, which address may be changed from time to time by the Landlord.
- 4. Security Deposit.** This section intentionally waived. At the time of the signing of this Lease, Tenant shall pay to Landlord, in trust, a security deposit of \$0.00 per space to be held and disbursed for Tenant damages, to the Premises (if any), and/or any outstanding amounts due at the end of the Lease as provided by law.
- 5. Possession.** Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its vehicle(s) and peaceably yield up the Premises and parking permit(s) and /or pass (passes) to Landlord.
- 6. Use of Premises.** Tenant may use the Premises only for parking client, customer, and employee vehicle(s). All vehicles must, at all times, be in working order with current registration, insurance, and inspections.
- 7. Permit or Sticker and Gate Access Card.** At the signing of this Lease, one (1) permit and/or pass will be issued, at no additional expense to tenant, for each parking spot, to be used with the parked vehicle(s). The appropriate permit must be displayed at all times while parking in the designated spot. Permits will be displayed by hanging on the rearview mirror. Failure to display the appropriate permit will result in the vehicle being towed in accordance with signage displayed at the parking lot, at vehicle owner's expense. Should Tenant lose or misplace, a parking permit, Tenant must notify Landlord within 24 hours of each such loss. A new permit will be issued to Tenant at a replacement fee of \$25.00 for each lost or misplaced permit.
- 8. Renewal Terms:** This lease shall automatically renew for one period of one year unless Landlord or Tenant provide written notification of non-renewal at least 60 days prior to the end of the term or renewal term. The monthly renewal rate during any such renewal term shall be negotiated and agreed to in writing no later than 60 days prior to the Lease expiration.
- 9. Maintenance.** Landlord shall maintain and keep the parking area in good order, condition and repair including the parking lot surface. Tenant shall not permit trash of any sort to litter the Premises or the remainder of the Property.
- 10. Defaults.** Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any obligation financial or otherwise within 5 days after written notice of such default is provided by Landlord to Tenant, Landlord may immediately take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses suffered by Landlord by reason of Tenant's defaults.) The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.
- 11. Late Payments.** For each payment that is not paid within 5 days after its due date, Tenant shall pay a late fee of \$5.00 per day, beginning with the day after the due date.
- 12. Non-Sufficient Funds.** Tenant shall be charged \$35.00 for each check that is returned to Landlord for lack of sufficient funds.



Ph. 570.287.5343
Fax. 570.287.5347
www.joamatoproperties.com

- 13. **Venue.** The parties hereto agree that the Courts of the Common Pleas of and for Luzerne County, Pennsylvania, shall have the primary jurisdiction for any and all disputes and/or breaches arising from this Lease Agreement.
- 14. **Liability.** Landlord shall not be responsible for damage or loss to possessions or items left in Tenant's vehicle. Landlord shall not be responsible for damage to tenants vehicle(s), whether or not other vehicle(s) or person(s) in the parking lot and surrounding area causes such damage.
- 15. **Notice.** Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

Landlord: City Centre LP, PO Box 615 Wilkes Barre, PA 18703

Tenant: 652 Midland Avenue, Midland PA 15059

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

- 16. **Governing Law.** This Lease shall be construed in accordance with the laws of the State of Pennsylvania.
- 17. **Entire Agreement** This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, only if the writing is signed by both parties.
- 18. **Severability.** If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
- 19. **Waiver.** The failure of either party to enforce any provisions of the Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.
- 20. **Binding Effect.** The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representative, successors and assigns.

Landlord: City Centre, LP

By: *Liana Kissinger* Date: 10-29-18
Print: Liana Kissinger

Tenant: ~~PA Cyber Charter School~~
By: *Edward Etkin* Date: 10-15-18
Print: EDWARD ETKIN, BOARD PRESIDENT

FIRST AMENDMENT TO LEASE AGREEMENT

This FIRST AMENDMENT TO LEASE AGREEMENT is effective the 30th day of June 2022, by and between Lincoln Learning Solutions, Inc., a Pennsylvania non-profit corporation, with an address at 294 Massachusetts Avenue, Rochester, PA 15074 (hereinafter referred to as "Landlord") and The Pennsylvania Cyber Charter School, a Pennsylvania non-profit corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, and Landlord and Tenant are parties to that certain Lease dated as of July 1, 2019 ("Lease"), pursuant to which Tenant leases from Landlord certain premises containing approximately 1140 square of office space ("Premises") in Landlord's building located at 518 Railroad Ave., Midland, PA ("Building"), as more particularly described in the Lease; and

WHEREAS, the term of the Lease is scheduled to expire by its terms on June 30, 2022, and the Parties desires to extend the term of the Lease for one (1) additional period of three (3) years, as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Landlord and Tenant, intending to be legally bound, hereby agree as follows:

1. Recitals. The foregoing recitals are incorporated herein by reference.
2. Defined Terms. All capitalized terms used herein shall have the same meanings herein as in the Lease, unless otherwise modified herein.
3. Amendment of Lease. The Lease is hereby modified and amended as follows:
 - (a) Extension Term. The Premises is leased to Lessee, subject to all of the terms, covenants, and conditions contained in this Amendment and in the Lease, for a term of three (3) years, commencing on July 1, 2022 and ending on June 30, 2025 ("Extension Term"), unless sooner terminated or canceled as provided herein or in the Lease. As used in the Lease (as amended hereby), "Term" or "term" shall be deemed to include and refer to the term of the Lease, together with the Extension Term.
4. Full Force and Effect. Except as specifically modified and amended hereby, all terms of the Lease shall remain in full force and effect.
5. Binding Effect; No Modifications. This Amendment and all of its terms and conditions shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns. No modifications or amendments of the Lease (as amended


herein), shall be binding unless such modification shall be in writing and signed by the parties thereto.

6. Entire Agreement. This Lease, together with this Amendment, constitute the entire agreement between the parties with respect to the subject matter herein contained and all prior negotiations with respect to the subject matter herein contained are merged into and incorporated into this Amendment, and all prior documents and correspondence between the parties with respect to the subject matter herein contained (other than the Lease) are superseded and of no further force or effect.

IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease effective as of the date shown, each acknowledging receipt of and executed counterpart hereof.

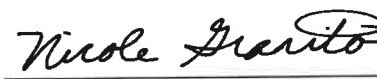
LANDLORD:

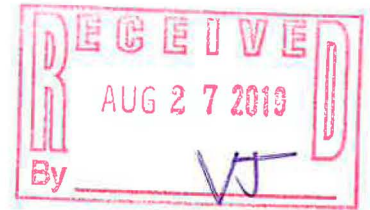
Lincoln Learning Solutions, Inc.,
a Pennsylvania non-profit corporation

By: 
Name: Robert M. Clements
Title: CEO

TENANT:

The Pennsylvania Cyber Charter School,
a Pennsylvania non-profit corporation

By: 
Name: Nicole Granito
Title: Chief Operations Officer



Lease Agreement

This Lease Agreement is effective the 1st day of July 2019, by and between Lincoln Learning Solutions, Inc., a Pennsylvania non-profit corporation, with an address at 294 Massachusetts Avenue, Rochester, PA 15074 (hereinafter referred to as "Landlord") and The Pennsylvania Cyber Charter School, a Pennsylvania non-profit corporation (hereinafter referred to as "Tenant").

WITNESSETH:

1. Lease. Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord office space in the Landlord's building located at 518 Railroad Ave, Midland PA ("Building"). This space is approximately 1140 square feet as designated in Exhibit A ("Premises"). Included in the Base Rent is the use of the parking lot, bathrooms and hallways. Utilities are also included in the Base Rent.

2. Term. The term of this Lease shall be three years (36 months) and will terminate on June 30, 2022.

3. Base Rent. Tenant shall pay Landlord \$800.00/month on or before the 10th day of the month.

4. Use. Tenant will use the Premises and such other Building facilities as it may use from time to time only for general office and business purposes in the conduct of its corporate operations. Tenant will maintain the Premises in a reasonable business office fashion, i.e., not permit the accumulation of trash or rubbish and not take any action that intentionally interferes in any unreasonable manner with the Landlord or other tenants use of the building.

5. Parking. Parking is provided in the designated lot.

6. Alterations. Tenant covenants and agrees not to make, or permit to be made, any alterations or changes of a structural nature or additions to the Premises or any part thereof except by and with the written consent of Landlord first obtained, which consent shall not be unreasonably withheld or delayed. Any approved alterations, changes and additions to said Premises shall be made in accordance with the applicable building and zoning codes and regulations and shall be made in accordance with all applicable laws.

7. Tenant's Property in the Premises. All of Tenant's equipment, furniture, furnishings, supplies, inventories and other personal property of every kind or description which may at any time be in the Premises remain the property of Tenant and shall be there at Tenant's sole risk. Landlord shall not be liable to Tenant, except for the negligence of willful misconduct of the Landlord, for any losses or damages to such personal property.

8. Maintenance of Premises by Landlord. Landlord agrees to keep and maintain in good order and repair the roof and exterior portions of the Premises, and to make any required

structural repairs of the Premises, excluding repairs occasioned by Tenant's actions. Landlord shall not be responsible for wear and tear or damage caused by an act of negligence of Tenant, Tenant's employees, agents, invitees, licensees or contractors, and any and all such damage shall be immediately repaired by Tenant, at its sole cost and expense. Landlord shall be responsible for the costs of Building modifications required by future laws or regulations.

9. Common Areas. Landlord covenants and agrees during the Term of this Lease or any renewal or extension thereof, to keep and maintain the common areas, including grass/tree cutting, parking areas and sidewalks, in good repair, free from ice and snow for the common uses and benefit of the tenants in the facility. Landlord also agrees to provide general housekeeping within the interior portion of the Premises, which is limited to sweeping, general dusting, and trash removal.

10. Building Access.

a. Tenant employees may only enter the Premises with a security card. Employees who work at the Premises and those who supervise those who work at the Premises will be granted card access.

b. All Tenant employees who do not have card access and visitors must use the front entrance and ring the designated bell at the front door for Tenant employees. An employee of the Tenant will allow access to visitors via the reception area. A log will be kept by Tenant, which documents: date, visitor, who they are visiting, time in and time out. Such log will be available for review by Landlord upon request.

c. Tenant will comply with any security enhancements; which Landlord may institute.

11. Network Access. Tenant will provide its own wireless and/or hardwired network at its sole cost and expense. Tenant and their guests are not authorized to connect to any Landlord equipment including but not limited to laptops, printers, network or wireless access points. Tenant and their guests are strictly prohibited from connecting any device to a warehouse premise port not designated for Tenant use. Any Tenant access to Landlord's network and/or equipment will be cause for immediate termination of the lease. Tenant will be responsible for all damages and any remediation costs associated with Tenant access to Landlord's network. Tenant will have access to any Tenant-owned equipment located in Landlord's space. Should Tenant desire to access such equipment then they will coordinate with Landlord personnel. Tenant will not access equipment in Landlord's space without Landlord personnel being present.

12. Maintenance of Premises by Tenant. Landlord covenants and agrees to keep and maintain in good order, condition and repair, the Premises and any part thereof, including therein, but not limited to, all interior utility systems, plumbing, heating, air condition and electrical equipment and fixtures, interior walls, floors and ceilings. Tenant shall, at Tenant's own cost and expense, repair any damage done to the Premises including replacement of damaged portions or

items, caused by Tenant or Tenant's agents and employees while during their employment. All such work or repairs by Tenant shall be affected in compliance with all applicable laws, codes and regulations.

13. Insurance.

a. Landlord shall obtain and maintain throughout the Term, (i) commercial general liability insurance applicable to the Premises, Building and Property providing, on an occurrence basis, limits of at least One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) annual aggregate; and (ii) special cause of loss or "all risk" insurance on the Building and improvements within the Common Area at replacement cost value as reasonably estimated by Landlord.

b. Tenant agrees to purchase and maintain comprehensive general public liability insurance relating to the Premises insuring against liability for injury or death of any person or persons or damages to property. Said insurance policy shall have limits of not less than \$1,000,000.00 dollars combined with single limit for injury to or death of any number of persons or for damages to property or other arising out of any one occurrence and adequate fire extended coverage and all risk insurance covering Tenant's leased property and personal property stored therein and any damage caused by Tenant's negligence. Landlord must be listed as an additional insured on the subject policy of insurance. Certificates issued by the insurer confirming the existence of such insurance as well as listing the Landlord as an additional insured, shall be furnished to Landlord upon request.

14. Fire and Casualty. If the Premises are damaged or destroyed by fire or other casualty, the following provisions shall determine the effect of the damage or destruction of this lease:

a. If the Premises are completely damaged or destroyed, or are damaged to the extent that a major reconstruction of a material portion of the Premises are required, then Landlord or Tenant may, at their respective options, suspend or terminate this Lease by written notice after the date of such damage or destruction.

b. If this Lease is not terminated or suspended pursuant to subparagraph 14(a) above, then Landlord shall commence and proceed with reasonable diligence to restore the Premises to a condition, which is substantially like that which existed immediately prior to the damage or destruction.

c. During the period following the date of any damage or destruction of the Premises and continuing until the restoration of the Premises shall have been completed by Landlord, the rentals and other obligations due from Tenant pursuant to this lease shall be suspended until restoration of the facility is complete.

15. Tenant's Default and Landlord's Remedies. Tenant agrees that Tenant shall be in default of this Lease if Tenant:

a. Monetary Defaults. Fails or refuses to pay any rent or sums payable as additional rent at the time and place specified herein and such default should continue more than fifteen (15) day after written notice; or

b. Other Defaults. Fails or refuses to keep and perform any of the other Tenant obligations in this Lease and such default shall continue for more than thirty (30) days after written notice thereof is sent by Landlord to Tenant; (provided, however, if the course of such default involves matters reasonably requiring more than thirty (30) days to correct or cure, Tenant will be deemed in compliance with the notice so long as Tenant has commenced appropriate corrective action within said thirty (30) days and is and continues during and beyond said period to diligently prosecute said period to completion thereof).

If Tenant is in default beyond the notice and cure periods set forth above, Landlord may re-enter and take possession of the Premises. All rights and remedies of Landlord specified herein are cumulative and none shall exclude any other rights or remedies allowed by law or equity.

16. Landlord's Default and Tenant's Remedies. Tenant agrees that if Landlord fails to perform any Landlord agreements hereunder, Landlord shall have the right after thirty (30) days prior written notice thereof by Tenant to Landlord, to cure such default, provided, however, if the course of such default involves matters reasonably requiring more than thirty (30) days to correct or cure, Landlord will be deemed in compliance with said notice so long as Landlord has commenced appropriate curative action within the thirty (30) days and is diligently prosecuting completion thereof, before Tenant may terminate this Lease or take any action under this Lease by reason of such default.

17. Waiver. No waiver of any agreement of this Lease or of the breach thereof shall be taken to constitute a waiver of any subsequent breach of such agreement, nor to justify or authorize the non-observance on any other occasion of the same or any other agreement hereof, nor shall the acceptance of rent or other sums by Landlord at any time when Tenant is in default be construed as a waiver of such default or Landlord's right to terminate this Lease on account of such default; nor shall any waiver or indulgence granted by Landlord to Tenant be taken as an estoppel against Landlord, it being expressly understood that if at any time Tenant shall be in default hereunder, and acceptance by Landlord of rent or other sums during the continuance of such default or the failure on the part of Landlord to promptly avail itself of such other rights or remedies as Landlord may have, shall not be construed as a waiver of such default, but Landlord may at any time thereafter, if such default continues, terminate (his Lease on account of such default in the manner herein provided.

18. Assignment or Subletting. Tenant may not assign this Lease or sublet the whole or any part of the Premises or permit any other party to occupy the same or any part thereof without the prior written consent of Landlord. Any assignment or subletting shall not relieve Tenant from

liability for payment of rent or from any Tenant agreements under this Lease. Notwithstanding the foregoing, Tenant, without obtaining the consent of Landlord, may assign this Lease or sublet the Premises to an entity acquiring substantially all of the assets of Tenant.

19. Quiet Possession. Landlord agrees that if Tenant is not in default of this Lease beyond any applicable notice and cure period, Tenant shall, subject to the terms and conditions of this Lease, have the peaceable and quiet possession of the Premises without any manner of hindrance from Landlord, any part claiming through Landlord or any predecessor in title to Landlord.

20. Access to Premises. Tenant agrees that Landlord and his agents may inspect the Premises at any reasonable time and that Landlord may make such repairs or improvements to the Premises or any part of the Building that the Landlord may deem desirable which Tenant has not agreed herein to do or has failed to do or as may be of an emergency nature, provided that any such inspection or repairs do not materially disrupt or interfere with Tenant's business operations in the Premises. Tenant further agrees that upon providing notice of termination, Landlord or its agents have the right to show the Premises to potential tenants. Such access shall be coordinated with the Tenant.

21. Surrender of Premises. Whenever Tenant surrenders possession to the Landlord, i.e. upon Lease termination or otherwise, the Tenant agrees to deliver upon and surrender to Landlord possession of the Premises, in as good condition and repair as the same shall be at Term commencement or may have been put by Landlord during this Term, ordinary wear and tear excepted. Nothing herein shall be construed as relieving Tenant of any of its maintenance, repair or replacement obligations under this Lease.

22. Holding Over. If Tenant shall hold over or otherwise remain in possession of all or any part of the Premises after Term expiration or fail to remove its personal property, the Tenant shall be deemed a Tenant of the Premises from month to month, notwithstanding anything in this Lease to the contrary, subject to all of the terms and provisions hereof, except only as to the Term which will have terminated and the Base Rent in effect at the time of such termination. Base Rent shall constitute the rental due during such month-to-month period.

23. Notice. Any notice that either party may desire or be required to give under this Lease shall be effective only if in writing and delivered personally upon the other party or sent by express twenty-four (24) hour guaranteed courier service or by registered or certified mail of the United States Postal Service, return receipt requested, addressed to the other party at its address as specified above (or to such address or person as either party may specify.) Unless otherwise specified, notices shall be deemed given when received or refused. Communications, billings and payments shall be similarly addressed but need not be sent by courier service or certified mail.

24. Reasonable Consent. Whenever this Lease specifies that either party has the right or consent or either party shall desire the consent of the other on a matter concerning this Lease,

said consent shall be effective only if in writing and signed by the consenting party and shall not be unreasonably withheld or delayed.

25. Legal Interpretation. This Lease shall be construed in accordance with the applicable laws of the Commonwealth of Pennsylvania. In interpreting this Lease, there shall be no inference, by operation of law or otherwise, that any provision of this Lease shall be construed against either party. In the event any provision of this Lease conflicts with any applicable law, such conflict shall not affect other provisions of this Lease, which can be given effect without such conflicting provision. If any provision of this Lease shall be subject to two constructions, one of which would render such provision valid, then such provision shall be given that construction which would render it valid. The Article numbers and captions are inserted only as a matter of convenience and in no way define or limit the scope of intent of such Articles.

26. Force Majeure. If either party shall be delayed in the performance of any act required by this Lease by reason of strikes, restrictive laws, riots, acts of God or other similar reasons not the fault of the non-performing party, then the performance time for such act shall be extended for a period equivalent to the period of such delay. The provisions of this Article shall not operate to excuse Tenant from or any time periods applicable to the prompt payment of rent or other sums provided hereunder or from properly securing the Premises from damage.

27. Entire Agreement. This Lease and any incorporated attachments or exhibit referenced herein contain all the agreements between the parties and said agreements cannot be modified in any manner other than by the further written agreement signed by the parties.

28. Provision Binding. The agreements herein shall be binding upon and inure to the benefits of the parties hereto, their successors and assigns. However, upon reasonable, written proof of Tenant being defunded, in which it creates an inability to pay rent, both parties agree that Tenant shall be permitted to terminate the Lease. The Tenant's penalty for such occurrence shall be limited to a 5% payment of the total Base Rent due for the remainder of the Lease.

29. Authority to Bind Parties. The persons executing this agreement acknowledge and affirm that they have the authorization and power to execute such agreement binding their respective entities to the obligations of this agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease effective as of the date shown, each acknowledging receipt of and executed counterpart hereof.

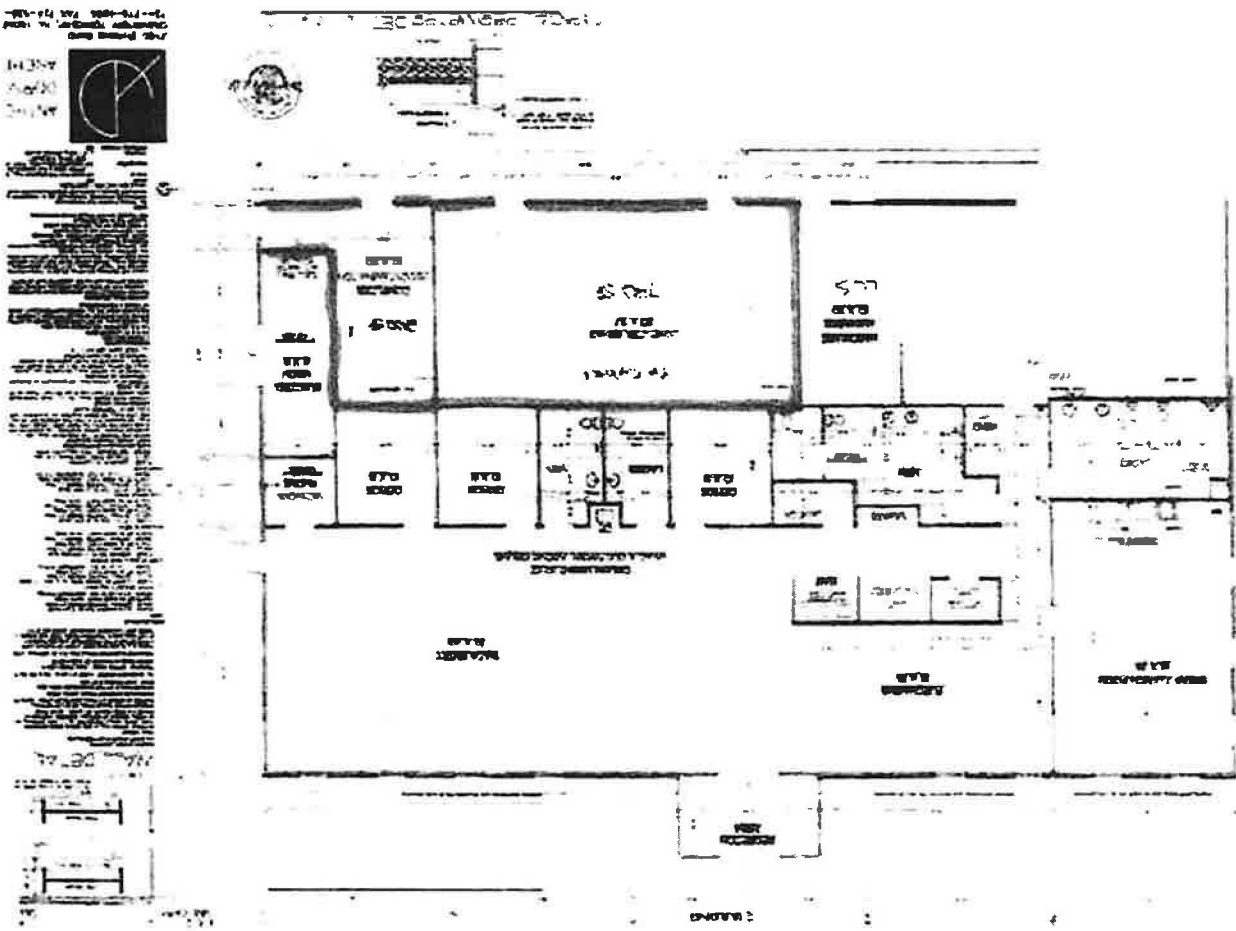
LANDLORD:
Lincoln Learning Solutions, Inc.,
a Pennsylvania non-profit corporation

By: [Signature]
Name: Robert M. Stevens
Title: CEO

TENANT:
The Pennsylvania Cyber Charter School,
a Pennsylvania non-profit corporation

By: [Signature]
Name: Nicole Grant
Title: COO

EXHIBIT A



7-17-000, Vol. 17-18-
The Bureau has
Approved
Date

7-17-000, Vol. 17-18-
The Bureau has
Approved
Date

7-17-000, Vol. 17-18-
The Bureau has
Approved
Date

7-17-000, Vol. 17-18-
The Bureau has
Approved
Date

7-17-000, Vol. 17-18-
The Bureau has
Approved
Date

RECEIVED
SEP 01 2017

Lease Agreement

BY: VS

This Lease Agreement is effective the 1st day of July 2017, by and between Lincoln Learning Solutions with an address at 294 Massachusetts Avenue, Rochester, PA 15074 (hereinafter referred to as "Landlord") and The Pennsylvania Cyber Charter School (hereinafter referred to as "Tenant").

WITNESSETH:

1. Lease. Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord office space in the Landlord's building located at 518 Railroad Ave, Midland PA. This space is approximately 940 square feet as designated in Exhibit A. Included in the Base Rent is the use of the parking lot, bathrooms and hallways. Utilities are also included in the Base Rent.
2. Term. The term of this Lease shall be two years (24 months) and will terminate on June 30, 2019.
3. Base Rent. Tenant shall pay Landlord \$800.00/month on or before the 10th day of the month.
4. Use. Tenant will use the leased space and such other building facilities as it may use from time to time only for general office and business purposes in the conduct of its corporate operations. Tenant will maintain its space in a reasonable business office fashion, i.e., not permit the accumulation of trash or rubbish and not take any action that intentionally interferes in any unreasonable manner with the Landlord or other tenants use of the building.
5. Parking. Parking is provided in the designated lot.
6. Alterations. Tenant covenants and agrees not to make, or permit to be made, any alterations or changes of a structural nature or additions to the Premises or any part thereof except by and with the written consent of Landlord first obtained, which consent shall not be unreasonably withheld or delayed. Any approved alterations, changes and additions to said Premises shall be made in accordance with the applicable building and zoning codes and regulations and shall be made in accordance with all applicable laws.
7. Tenant's Property in the Premises. All of Tenant's equipment, furniture, furnishings, supplies, inventories and other personal property of every kind or description which may at any time be in the Premises remain the property of Tenant and shall be there at Tenant's sole risk. Landlord shall not be liable to Tenant, except for the negligence of willful misconduct of the Landlord, for any losses or damages to such personal property.
8. Maintenance of Premises by Landlord. Landlord agrees to keep and maintain in good order and repair the roof and exterior portions of the Premises, and to make any required structural repairs of the Premises, excluding repairs occasioned by Tenant's actions. Landlord shall not be responsible for wear and tear or damage caused by an act of negligence of Tenant, Tenant's employees, agents, invitees, licensees or contractors, and any and all such damage shall be immediately repaired by Tenant, at its sole cost and

expense. Landlord shall be responsible for the costs of building modifications required by future laws or regulations.

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 - c. Tenant will comply with any security enhancements, which Landlord may institute.
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Tenant will have access to any Tenant-owned equipment located in Landlord's space. Should Tenant desire to access such equipment then they will coordinate with Landlord personnel. Tenant will not access equipment in Landlord's space without Landlord personnel being present.

12. Maintenance of Premises by Tenant. Landlord covenants and agrees to keep and maintain in good order, condition and repair, the leased premises and any part thereof, including therein, but not limited to, all interior, utility systems, plumbing, heating, air condition and electrical equipment and fixtures, interior walls, floors and ceilings. Tenant shall, at Tenant's own cost and expense, repair any damage done to the leased premises including replacement of damaged portions or items, caused by Tenant or Tenant's agents and employees while in the course of their employment. All such work or repairs by Tenant shall be affected in compliance with all applicable laws, codes and regulations.

13. Tenant's Insurance. Tenant agrees to purchase and maintain comprehensive general public liability insurance relating to the Premises insuring against liability for injury or death of any person or persons or damages to property. Said insurance policy shall have limits of not less than \$1,000,000.00 dollars combined with single limit for injury to or death of any number of persons or for damages to property or other arising out of any one occurrence and adequate fire extended coverage and all risk insurance covering Tenant's leased property and personal property stored therein and any damage caused by Tenant's negligence. Landlord must be listed as an additional insured on the subject policy of insurance. Certificates issued by the insurer confirming the existence of such insurance as well as listing the Landlord as an additional insured, shall be furnished to Landlord upon request.
14. Fire and Casualty. If the Premises are damaged or destroyed by fire or other casualty, the following provisions shall determine the effect of the damage or destruction of this Lease:
- a) If the Premises are completely damaged or destroyed, or are damaged to the extent that a major reconstruction of a material portion of the Premises are required, then Landlord or Tenant may, at their respective options, temporarily suspend or terminate this Lease by written notice after the date of such damage or destruction.
 - b) If this Lease is not terminated or suspended pursuant to subparagraph 14(a) above, then Landlord shall commence and proceed with reasonable diligence to restore the Premises to a condition, which is substantially similar to that which existed immediately prior to the damage or destruction.
 - c) During the period following the date of any damage or destruction of the Premises and continuing until the restoration of the Premises shall have been completed by Landlord, the rentals and other obligations due from Tenant pursuant to this Lease shall be suspended until restoration of the facility is complete.
15. Tenant's Default. Tenant agrees that if Tenant:
- a) Monetary Defaults. Fails or refuses to pay any rent or sums payable as additional rent at the time and place specified herein and such default should continue more than fifteen (15) day after written notice; or
 - b) Other Defaults. Fails or refuses to keep and perform any of the other Tenant obligations in this Lease and such default shall continue for more than thirty (30) days after written notice thereof is sent by Landlord to Tenant; (provided, however, if the course of such default involves matters reasonably requiring more than thirty (30) days to correct or cure, Tenant will be deemed in compliance with the notice so long as Tenant has commenced appropriate corrective action within said thirty (30) days and is and continues during and beyond said period to diligently prosecute said period to completion thereof), then Landlord may re-enter and take possession of the Premises. All rights and remedies of Landlord specified herein are cumulative and none shall exclude any other rights or remedies allowed by law or equity.

16. Landlord's Default. Tenant agrees that if Landlord fails to perform any Landlord agreements hereunder, Landlord shall have the right after thirty (30) days prior written notice thereof by Tenant to Landlord, to cure such default, provided, however, if the cause of such deemed in compliance with said notice so long as Landlord has commenced appropriate curative action within the thirty (30) days and is diligently prosecuting completion thereof, before Tenant may terminate this Lease or take any action under this Lease by reason of such default.
17. Waiver. No waiver of any agreement of this Lease or of the breach thereof shall be taken to constitute a waiver of any subsequent breach of such agreement, nor to justify or authorize the non-observance on any other occasion of the same or any other agreement hereof, nor shall the acceptance of rent or other sums by Landlord at any time when Tenant is in default be construed as a waiver of such default or Landlord's right to terminate this Lease on account of such default; nor shall any waiver or indulgence granted by Landlord to Tenant be taken as an estoppel against Landlord, it being expressly understood that if at any time Tenant shall be in default hereunder, and acceptance by Landlord of rent or other sums during the continuance of such default or the failure on the part of Landlord to promptly avail itself of such other rights or remedies as Landlord may have, shall not be construed as a waiver of such default, but Landlord may at any time thereafter, if such default continues, terminate this Lease on account of such default in the manner herein provided.
18. Assignment of Subletting. Tenant may not assign this Lease or sublet the whole or any part of the Premises, or permit any other party to occupy the same or any part thereof without the prior written consent of Landlord. Any assignment or subletting shall not relieve Tenant from liability for payment of rent or from any Tenant agreements under this Lease.
19. Quiet Possession. Landlord agrees that if Tenant shall perform all of Tenant's agreements herein specified, Tenant shall, subject to the terms and conditions of this Lease, have the peaceable and quiet possession of the Premises without any manner of hindrance from Landlord, any part claiming through Landlord or any predecessor in title to Landlord.
20. Access to Premises. Tenant agrees that Landlord and his agents may inspect the leased premises at any reasonable time and that Landlord may make such repairs or improvements to the leased premises or any part of the Building that the Landlord may deem desirable which Tenant has not agreed herein to do or has failed to do or as may be of an emergency nature. Tenant further agrees that upon providing notice of termination, Landlord or its agents have the right to show the leased premises to potential tenants. Such access shall be coordinated with the Tenant.
21. Surrender of Premises. Whenever Tenant surrenders possession to the Landlord, i.e. upon Lease termination or otherwise, the Tenant agrees to deliver upon and surrender to Landlord possession of the leased premises, in as good condition and repair as the same shall be at Term commencement or may have been put by Landlord during this Term, ordinary wear and tear and damage by fire and other casualty not the fault of the

Tenant, excepted. Nothing herein shall be construed as relieving Tenant of any of its maintenance, repair or replacement obligations under this Lease.

22. Holding Over. If Tenant shall hold over or otherwise remain in possession of all or any part of the leased premises after Term expiration or fail to remove its personal property, the tenant shall be deemed a tenant of the Premises from month to month, notwithstanding any less to the contrary, subject to all of the terms and provisions hereof, except only as to the Term which will have terminated and the minimums rent in effect at the time of such termination. Minimum rent and such shall constitute the rental due during such month-to-month period.
23. Notice. Any notice that either party may desire or be required to give under this Lease shall be effective only if in writing and delivered personally upon the other party or sent by express twenty-four (24) hour guaranteed courier service or by registered or certified mail of the United States Postal Service, return receipt requested, addressed to the other party at its address as specified above (or to such address or person as either party may specify.) Unless otherwise specified, notices shall be deemed given when received or refused. Communications, billings and payments shall be similarly addressed but need not be sent by courier service or certified mail.
24. Reasonable Consent. Whenever this Lease specifies that either party has the right or consent or either party shall desire the consent of the other on a matter concerning this Lease, said consent shall be effective only if in writing and signed by the consenting party and shall not be unreasonably withheld or delayed.
25. Legal Interpretation. This Lease shall be construed in accordance with the applicable laws of the Commonwealth of Pennsylvania. In interpreting this Lease, there shall be no inference, by operation of law or otherwise, that any provision of this Lease shall be construed against either party. In the event any provision of this Lease conflicts with any applicable law, such conflict shall not affect other provisions of this Lease, which can be given effect without such conflicting provision. If any provision of this Lease shall be subject to two constructions, one of which would render such provision valid, then such provision shall be given that construction which would render it valid. The Article numbers and captions are inserted only as a matter of convenience and in no way define or limit the scope of intent of such Articles.
26. Force Majeure. If either party shall be delayed in the performance of any act required by this Lease by reason of strikes, restrictive laws, riots, acts of God or other similar reasons not the fault of the non-performing party, then the performance time for such act shall be extended for a period equivalent to the period of such delay. The provisions of this Article shall not operate to excuse Tenant from or any time periods applicable to the prompt payment of rent or other sums provided hereunder or from properly securing the Premises from damage.
27. Entire Agreement. This Lease and any incorporated attachments or exhibits referenced herein contain all of the agreements between the parties and said agreements cannot be

modified in any manner other than by the further written agreement signed by the parties.

28. Provision Binding. The agreements herein shall be binding upon and inure to the benefits of the parties hereto, their successors and assigns. However, upon reasonable, written proof of tenant being defunded, in which it creates an inability to pay rent, both parties agree that Tenant shall be permitted to terminate the Lease. The Tenant's penalty for such occurrence shall be limited to a 5% payment of the total remainder of the Lease.
29. Authority to Bind Parties. The persons executing this agreement acknowledge and affirm that they have the authorization and power to execute such agreement binding their respective entities to the obligations of this agreement.

IN WITNESS WHEREOF, the Landlord and Tenant have executed this Lease effective as of the date shown, each acknowledging receipt of and executed counterpart hereof.

LANDLORD:

Lincoln Learning Solutions

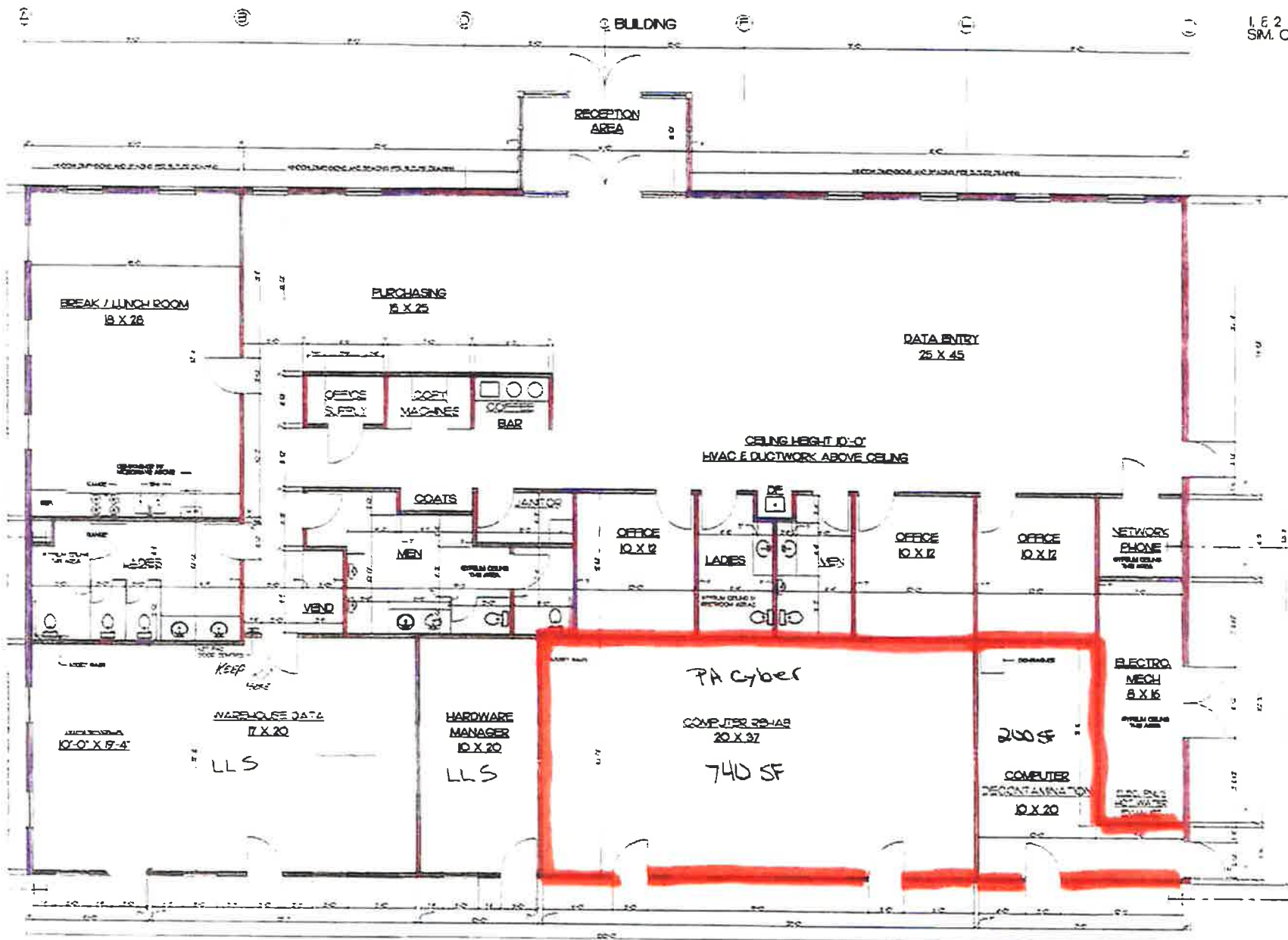
By: 

Robert M. Clements
CEO/President

TENANT:

Pennsylvania Cyber Charter School

By: 



WALL DETAIL 1

WALL DETAIL 1
 10' WALL SECTION
 EXTERIOR WALL
 INTERIOR WALL
 PARTITION WALL
 GLASS WALL
 GROUND WALL

EXTERIOR WALL
 INTERIOR WALL
 PARTITION WALL
 GLASS WALL
 GROUND WALL

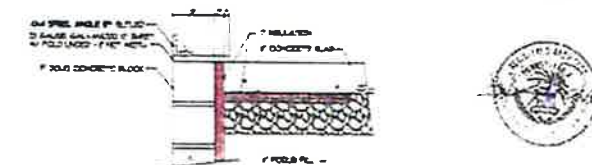
GLASS WALL
 PARTITION WALL
 GROUND WALL

GROUND WALL

CEILING
 FLOOR

NOTES

1. ALL INTERIOR WALLS SHALL BE 1/2" GYPSUM BOARD ON STUDS OR 5/8" GYPSUM BOARD ON JOISTS.
 2. ALL EXTERIOR WALLS SHALL BE 8" CMU WITH 1" POLYSTYRENE INSULATION ON THE EXTERIOR.
 3. ALL INTERIOR PARTITION WALLS SHALL BE 1/2" GYPSUM BOARD ON STUDS.
 4. ALL GLASS WALLS SHALL BE 1" LAMINATED GLASS ON 2" ALUMINUM FRAMING.
 5. ALL GROUND WALLS SHALL BE 12" CMU WITH 2" POLYSTYRENE INSULATION ON THE EXTERIOR.
 6. ALL CEILING SHALL BE 5" MINIMUM CEILING JOIST WITH 1" POLYSTYRENE INSULATION BETWEEN JOISTS AND 1/2" GYPSUM BOARD ON THE BOTTOM.
 7. ALL FLOOR SHALL BE 4" CONCRETE ON 8" CMU OR 4" CONCRETE ON GRAVEL ON COMPACTED FILL.



OFFICE FLOOR PLAN 1/4" = 1'-0"

DS
 1'-0" 4/30/07 REVISED 8/10/07



2100 EHRMAN ROAD
 CRANBERRY TOWNSHIP, PA 16066
 724-776-4666 FAX 724-538-