UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF VIRGINIA	PROOF OF CLAIM	
Name of Debtor: On-Site Sourcing, Inc.,	Case Number	<sup>r:</sup> 09-10816
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of administrative expense may be filed pursuant to 11 U.S.C. § 503.	the case. A re	equest for payment of an
Name of Creditor (the person or other entity to whom the debtor owes money or property): Brighton Hall IC, LLC  Name and address where notices should be sent: Margaret R. Westbrook P.O. Box 17047	claim ame claim.	s box to indicate that this ends a previously filed
Raleigh, NC 27619-7047 Telephone number: (919)743-7351		
Name and address where payment should be sent (if different from above):  Telephone number:	anyone ele relating to statement  Check this	s box if you are aware that se has filed a proof of claim your claim. Attach copy of giving particulars. s box if you are the debtor
See Exhibit A  If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.  If all or part of your claim is entitled to priority, complete item 5.	or trustee in this case.  5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.  Specify the priority of the claim.  Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).  Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).  Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).  Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).  Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).  Other – Specify applicable paragraph of 11 U.S.C. §507 (a)().  Amount entitled to priority:  \$  *Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		
2. Basis for Claim: Breach of Lease (See instruction #2 on reverse side.)  3. Last four digits of any number by which creditor identifies debtor:  3a. Debtor may have scheduled account as:  (See instruction #3a on reverse side.)  4. Secured Claim (See instruction #4 on reverse side.)  Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.  Nature of property or right of setoff: Real Estate Motor Vehicle Other Describe:  Value of Property: Annual Interest Rate %  Amount of arrearage and other charges as of time case filed included in secured claim, if any: Manual of Secured Claim: Amount Unsecured: Manual Unsecured:  Amount of Secured Claim: Amount Unsecured: Manual Unsecured: Manua		
Date:  Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the crother person authorized to file this claim and state address and telephone number if different from the address above. Attach copy of power of attorney if any.  Mangaret R. Wesi proof, Attorney for Creditor	the date of a	•

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**FILED** 

IJUN 16 2009





# EXHIBIT A TO PROOF OF CLAIM OF BRIGHTON HALL IC, LLC

- 1. On or about December 5, 2005, On-Site Sourcing, Inc. (the "Debtor") executed and delivered to Brighton Hall IC, LLC (hereinafter the "Landlord"), a Lease Agreement (the "Lease") for the rent of Suite 110, comprised of approximately 2,192 square feet of office space in Brighton Hall, located at 1101 Slater Road, Durham, North Carolina 27703. The initial term of the lease was five (5) years and four (4) months, commencing on February 8, 2006. A copy of the Lease is attached as Exhibit B to this Proof of Claim and is incorporated herein by reference.
- 2. Under the terms of the Lease, Debtor is obligated to pay Landlord rent until the expiration of the lease on June 30, 2011.
- 3. Prior to filing its Petition, the Debtor defaulted on its obligations to Landlord under the Lease, failing to pay rent beginning on or about December 1, 2008. As of the petition date, the outstanding rent owed to Landlord is \$10,836.68. Landlord retained a security deposit delivered by the debtor in the amount of \$6,685.60. Landlord applied the amount of \$6,685.60 to the outstanding amounts due under the terms of the Lease on the petition date.
- 4. Pursuant to order of this Court, the Lease was rejected by the Debtor as of April 30, 2009.
- 5. The rent reserved under the Lease through the end of the lease term totals \$97,193.26. 11 U.S.C. §502(b)(6) provides that a lessor may file a claim for the rent reserved under a lease with the Debtor, "without acceleration, for the greater of one year, or fifteen percent, not to exceed three years of the remaining term of such lease. ..." Therefore, pursuant to 11 U.S.C. §502(b)(6), the Landlord asserts an unsecured claim in the amount of \$42,546.72 representing one year of rent reserved under the Lease.
- 6. Therefore, the Landlord asserts a total unsecured claim in the amount of \$46,697.80.
- 7. Landlord reserves its right to amend its proof of claim throughout the administration of the case.

# OFFICE LEASE AGREEMENT

BY AND BETWEEN

BRIGHTON HALL IC, LLC (AS LANDLORD)

AND

ON-SITE SOURCING, INC. (AS TENANT)

EXHIBIT

LIB: Charlone

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#### COUNTY OF DURHAM

THIS LEASE AGREEMENT (the "Lease") made and entered into as of the 5th day of November, 2005, by and between BRIGHTON HALL IC, LLC, a Delaware limited liability company, hereinafter called "Landlord"; and ON-SITE SOURCING, INC, a Virginia corporation, hereinafter called "Tenant":

#### WITNESSETH:

In consideration of the mutual covenants and agreements contained herein, the parties hereto agree for themselves, their successors and assigns, as follows:

#### 1. BASIC LEASE TERMS.

The following terms shall have the following meanings in this Lease:

- (a) <u>Premises</u>: Suite 110 containing approximately two thousand one hundred ninety-two (2,192) rentable square feet of office space on the first (1<sup>st</sup>) floor of the Building, as more particularly described on the floor plan attached hereto as Exhibit "A".
- (b) <u>Building</u>: Brighton Hall, located at 1101 Slater Road, Durham, North Carolina 27703.
- (c) <u>Business Park</u>: Imperial Center Business Park.
- (d) Common Areas: All areas of the Building or the Business Park available for the common use or benefit of all tenants primarily or to the public generally, including without limitation, parking areas, driveways, sidewalks, loading docks, the lobby, corridors, elevators, stairwells, entrances, public restrooms, mechanical rooms, janitorial closets, telephone rooms, mail rooms, electrical rooms, and other similar areas of the Building providing for building systems, and any other common facilities furnished by Landlord from time to time.
- (e) <u>Commencement Date</u>: February 1, 2006 (subject to adjustment pursuant to Section 3 of this Lease).
- (f) Term; Expiration Date: The "Term" of this Lease shall be five (5) years and four (4) months commencing as of the Commencement Date and, subject to Tenant's right to extend the term in accordance with Exhibit "D" attached hereto, expiring on the sixty-four (64) month anniversary of the Commencement Date or the Adjustment Date, as the case may be (the "Expiration Date") or unless earlier terminated pursuant to the terms hereof.
- (g) Minimum Rental: Provided no Tenant default has occurred and is continuing hereunder, Tenant shall have no obligation for the payment of Minimum Rental

from the Commencement Date through the four (4) month anniversary of the Commencement Date (the "Rent Commencement Date"). Accordingly, Tenant shall pay Minimum Rental for each Lease Year (as hereinafter defined), as follows:

PERIOD	RATE	MONTHLY RENT	ANNUAL RENT
2/1/06-1/31/07	\$18.30 per r.s.f.	\$3,342.80	\$40,113.60
2/1/07-1/31/08	\$18.85 per r.s.f.	\$3,443.27	\$41,319.20
2/1/08-1/31/09	\$19.41 per r.s.f.	\$3,545.56	\$42,546.72
2/1/09-1/31/10	\$20.00 per r.s.f.	\$3,653.33	\$43,840.00
2/1/10-1/31/11	\$20.60 per r.s.f.	\$3,762.93	\$45,155.20
2/1/11-5/31/11	\$21.22 per r.s.f.	\$3,876.19	\$46,514.24

<sup>\*</sup> In the event the Commencement Date is a date other than February 1, 2006, this Rent Schedule shall be adjusted and shall be effective as of the actual Commencement Date.

- (h) Operating Expense Stop: Actual Operating Expenses for the calendar year 2006.
- (i) Tenant's Proportionate Share: A fraction, the numerator of which shall be the number of rentable square feet within the Premises and the denominator of which shall be the number of rentable square feet within the Building, currently estimated to be 2.9% (2,192÷75,333).
- (j) [Intentionally Deleted].
- (k) Notice Addresses:

Landlord: Brighton Hall IC, LLC

c/o Tri Properties, Inc.

4309 Emperor Boulevard, Suite 110 Durham, North Carolina 27703

Tenant: On-Site Sourcing, Inc.

832 N. Henry Street

Alexandria, Virginia 22314

- (1) <u>Security Deposit</u>: Six Thousand Six Hundred Eighty-Five and 60/100 Dollars (\$6,685.60).
- (m) Brokers: Tri Properties, Inc. and Rich Commercial Realty.
- (n) Guarantor: None.
- (o) <u>Parking</u>. Tenant shall have the right to use, at no additional cost, four (4) unreserved parking spaces per 1,000 rentable square feet of the Premises in the surface parking areas adjacent to the Building which constitutes a portion of the

Common Areas, such use in no event to unreasonably interfere with the use of such parking spaces by other occupants of the Building.

### 2. <u>DESCRIPTION OF PREMISES</u>.

Landlord hereby leases to Tenant, and Tenant hereby accepts and rents from Landlord, the Premises within the Building located in the Business Park; together with the nonexclusive right to use the Common Areas. The useable and rentable area of the Premises and Building shall be determined in accordance with the standards set forth in ANSI Z65.1-1996, as promulgated by the current Building Owners and Managers Association ("BOMA Standard"). The rentable area of the Premises shall be determined by multiplying the useable area of the Premises by the applicable "core factor" which is twelve percent (12%). Landlord may, at any time, have its architect or engineer measure the actual total square footage of the Premises. In the event the Premises shall contain an amount of square footage different than the amount of square feet referenced in Section 1(a) above, the Premises shall be redefined to reflect the actual square footage and the Annual Rental (as hereinafter defined) shall be proportionately adjusted based on the actual square footage multiplied by the applicable square foot rental rate (and such adjustment shall relate back to the Commencement Date if there is a variance). The reasonable cost of such measurement shall be borne by Landlord.

#### 3. TERM: COMMENCEMENT DATE; DELIVERY OF PREMISES.

- (a) Term. Unless otherwise adjusted as hereinbelow provided, the Term shall commence on the Commencement Date and expire on the Expiration Date. In the event the Commencement Date is a day other than the first day of a calendar month, the Term shall be extended and shall expire on that date which is five (5) years and four (4) months from the first day of the first full calendar month immediately following the Commencement Date (the "Adjustment Date"). As used herein, the term "Lease Year" shall mean each consecutive twelve-month period of the Term, beginning with the Commencement Date (as same may be adjusted as hereinbelow provided) or any anniversary thereof; provided, however, in the event the Commencement Date is a day other than the first day of a calendar month, "Lease Year One" shall be that period commencing on the Commencement Date and continuing until the first anniversary of the Adjustment Date and each succeeding Lease Year shall be a twelve-month period beginning with each subsequent anniversary of the Adjustment Date.
- (b) Commencement Date. Notwithstanding anything contained herein to the contrary, the Commencement Date shall be deemed to be the earlier of: (a) the date Tenant, or any person occupying any portion of the Premises with Tenant's permission, commences business operations from the Premises, or (b) the first (1st) business day following the date of Landlord's delivery of the Premises to Tenant with all work described in the Plans (as hereinafter defined) Substantially Completed (as hereinafter defined) or the date upon which Landlord would have delivered the Premises to Tenant upfitted in substantial accordance with the Plans but for delays attributable to Tenant or Tenant's Invitees (as hereinafter defined); such Tenant caused delays including without limitation, delays attributable to Tenant's failure to provide the Plans and any change orders requested by Tenant. Landlord shall act in good faith and use diligent efforts to deliver the Premises upfitted in accordance with the Plans to Tenant on or before January 1, 2006 (the "Target Date"). Notwithstanding anything contained herein to the

contrary, in no event shall Landlord's completion of the Tenant Improvements (as hereinafter defined) be dependent upon, or the Commencement Date delayed because of, the installation of any special equipment or improvements to the Premises to be supplied and installed by Tenant.

particularly described on Exhibit "C" attached hereto. In addition, Landlord will supervise the design, construction and installation of the initial improvements in the Premises (the "Tenant Improvements") in accordance with the Plans and the following terms and conditions. Landlord's engineer and/or architect shall prepare the plans for the design, construction and installation of the Tenant Improvements (the "Plans") which shall be materially consistent with the preliminary space plans (the "Preliminary Plans") attached hereto as Exhibit C-1 which have been approved by Landlord. The final Plans, as reviewed and approved by Landlord and Tenant, such approval not to be unreasonably withheld, shall supersede and replace the Preliminary Plans and shall be attached hereto as Exhibit "C-1." Tenant's failure to satisfy its obligations under this Section 3 within ten (10) business days following receipt of written notice thereof shall be deemed an Event of Default hereunder.

Landlord shall deliver the Premises to Tenant upon Substantial Completion of the Tenant Improvements in accordance with the Plans and in a good and workmanlike manner, such substantial completion to be certified by Landlord's engineer or architect inspecting the work. "Substantial Completion" or "Substantially Completed" as such term is used herein shall mean the completion of all items of work defined in the Plans notwithstanding that certain details of construction, mechanical adjustment or decoration remain to be performed, the non-completion of which would not materially interfere with the Tenant's use of the Premises. If Landlord for any reason whatsoever cannot deliver possession of the Premises to Tenant in accordance with the terms hereof on or before the Target Date as hereinabove specified, including delays attributable to the failure of the existing tenant(s) of the Premises to vacate said Premises in accordance with its lease(s), this Lease shall not be void or voidable nor shall Landlord be liable to Tenant for any loss or damages resulting therefrom; but in that event, except to the extent that any such delay is attributable to Tenant or its agents, employees, contractors, subcontractors, licensees, invitees or subtenants (hereinafter collectively referred to as "Tenant's Invitees"), the Commencement Date shall be adjusted to be the date when Landlord does in fact deliver possession of the Premises to Tenant in accordance with the terms hereof. Notwithstanding the foregoing, Landlord shall use reasonable efforts to provide Tenant and Tenant's licensed contractors with access to the Premises fourteen (14) days prior to the Commencement Date for among other things, Tenant's installation of its furniture, fixtures, cabling and equipment within the Premises, provided (i) Tenant has obtained all insurance required hereunder to be maintained by Tenant, (ii) such early access by Tenant and its contractors does not in any way unreasonably interfere with Landlord's completion of the Tenant Improvements, (iii) Tenant's access to the Premises is coordinated in advance with Landlord's contractor, and (iv) Tenant's occupancy of the Premises prior to the Commencement Date otherwise complies with all other applicable terms and conditions of this Lease provided, however, that such occupancy shall not alter Tenant's obligation hereunder to pay Minimum Rental.

# 4. RENTAL.

During the Term, Tenant shall pay to Landlord, in care of Landlord's agent, Tri Properties, Inc. at the notice address set forth in Section 1(k) herein, without notice, demand, reduction (except as may be applicable pursuant to the Sections of this Lease entitled "Damage or Destruction of Premises" and "Eminent Domain"), setoff or any defense, a total rental (the "Annual Rental") consisting of the sum total of the following:

### (a) Minimum Rental.

Beginning with the Commencement Date and continuing through the Expiration Date or earlier termination of this Lease, Tenant shall pay Minimum Rental in accordance with the schedule set forth in Section 1(g) in equal monthly installments each in advance on or before the first day of each month. If the Commencement Date is a date other than the first day of a calendar month, the Minimum Rental shall be prorated daily from such date to the first day of the next calendar month and paid on or before the Commencement Date. If the Expiration Date is on a date other than the last day of the month, the Minimum Rental for such month shall be prorated based on the number of days in the month which are part of the Term.

# (b) [Intentionally Deleted].

# (c) Operating and Maintenance Expenses.

Tenant shall pay Tenant's Proportionate Share (as set forth in Section 1(i)) of the reasonable costs and expenses paid or incurred by Landlord each calendar year in the operation, repair and maintenance of the Building, the Common Areas and the Business Park (the "Operating Expenses") to the extent such Operating Expenses exceed the Operating Expense Stop set forth in Section 1(h). For purposes hereof, Operating Expenses shall include without limitation, all: (i) ad valorem taxes (or any tax hereafter imposed in lieu thereof) levied on the Premises, the Building, the Common Areas or any improvements thereon, (ii) insurance premiums and policy deductibles paid with respect to the Building, including fire and extended coverage insurance and liability insurance, (iii) personal property taxes applicable to the Building or the Premises, (iv) any reasonable fees or costs incurred in connection with protesting any tax assessment, (v) Standard Building Services (as hereinafter defined) including utilities, heat and air conditioning, standard janitorial service and window cleaning, (vi) building management (including management fees), (vii) the cost of grass mowing, shrub care and general landscaping, irrigation systems, maintenance and repair to parking and loading areas (including storage of materials), driveways, sidewalks, exterior lighting, garbage collection and disposal, snow removal, water and sewer, plumbing, signs and other facilities serving or benefiting the Premises or the Building, (viii) the cost of all services rendered by third parties with respect to the Building and the Common Areas and all costs paid or incurred by Landlord in providing any of the services to be provided by Landlord pursuant to the terms of this Lease; (ix) costs of all capital improvements, repairs or equipment to the Building which are either required under any governmental law or regulation which was not applicable to the Building as of the date hereof or which reduce Operating Expenses; provided that the cost of any such capital improvements, repairs or equipment shall be amortized on a straight line basis over a reasonable period of time (as determined in accordance with generally accepted accounting principles as reasonably interpreted by Landlord), (x) Common Area operating, repair and maintenance costs, and (xi) the Building's proportionate share of the reasonable costs and expenses paid or incurred by Landlord in the operation, repair and maintenance of the Business Park, including without limitation, the reasonable costs and expenses associated with the creation, maintenance and operation of Business Park amenities made available for the common use and enjoyment of the tenants of the Business Park from time to time. Landlord shall use good faith efforts to keep the Operating Expenses in line with costs for other similarly situated first-class buildings in the Raleigh/Durham market, taking into account rent and other relevant factors. Notwithstanding the provisions of this Lease to the contrary, Operating Expenses shall not include expenses for any capital repairs or improvements except as noted above; expenses (other than Operating Expenses) for which Landlord is actually reimbursed; brokerage commissions, advertising expenses and expenses of renovating space incurred for any tenants; interest on and amortization of debts; income, transfer, inheritance or franchise taxes; ground lease rent; mortgage principal payments; legal fees; penalties for late payments; costs of cleanup and removal of Hazardous Substances (hereinafter defined) and any governmental charges imposed by reason of the existence of Hazardous Substances on, in, or about the Building or Business Park; costs associated with the operation of the business of the legal entity that constitutes Landlord as the same is separate and apart from the operation of the Building, including the legal entity formation, internal accounting and legal matters; costs incurred in furnishing any material services exclusively for any tenant (including Tenant) to the extent that such work or service is in excess of any service that Landlord is obligated to furnish to Tenant; costs of repairs or replacements incurred by reason of fire or casualty (in excess of reasonable deductibles) or condemnation; and any cost or expense representing an amount paid to a related or affiliated person or entity which is in excess of the amount which would be paid in the absence of such relationship.

Notwithstanding the foregoing, if in any year, including the calendar year 2006, the Building is less than one hundred percent (100%) occupied, the variable portion of Operating Expenses shall be adjusted to reflect the level of such Operating Expenses which would reasonably be expected to be incurred by Landlord if the Building was one hundred percent (100%) occupied. Notwithstanding the foregoing, in no event shall the adjustments in Operating Expenses as hereinabove described result in a profit to Landlord.

#### (d) Payment of Operating Expenses.

Tenant shall pay to Landlord in advance each month commencing on the Rent Commencement Date, along with Tenant's installments of Minimum Rental (and all other sums of money required to be paid by Tenant under the Lease (the "Additional Rental"), if applicable) an amount (the "Tenant Contribution") equal to one-twelfth (1/12) of Tenant's Proportionate Share of the Operating Expenses as hereinabove described for any calendar year (including any applicable partial calendar year) to the extent such Operating Expenses exceed the Operating Expense Stop, as estimated by Landlord (in its reasonable discretion). Landlord will make reasonable efforts to provide Tenant with Landlord's estimate of Tenant's Contribution for the upcoming calendar year on or before December 15 of each calendar year during the Term hereof. Not more than twice during any calendar year, Landlord may in good faith revise Tenant's Proportionate Share of the Operating Expenses and within fifteen (15) days after Tenant's receipt of a revised statement, Tenant shall pay Operating Expenses on the basis of such statement. If

Landlord fails to notify Tenant of the revised amount of Tenant's Contribution by such date, Tenant shall continue to pay the monthly installments of Tenant's Contribution, if any, last payable by Tenant until notified by Landlord of such new estimated amount. No later than May 1 of each calendar year of the Term, Landlord shall deliver to Tenant a written statement setting forth the actual amount of Tenant's Contribution for the preceding calendar year. Tenant shall pay the total amount of any balance due shown on such statement within thirty (30) days after its delivery. In the event such annual costs decrease for any such year, Landlord shall reimburse Tenant for any overage paid and the monthly rental installments for the next period shall be reduced accordingly, but not below the Minimum Rental. For the calendar year in which this Lease commences, Tenant's Contribution shall be prorated from the Commencement Date through December 31 of such year. Further, Tenant shall be responsible for the payment of Tenant's Contribution for the calendar year in which this Lease expires, prorated from January 1 thereof through the Expiration Date. Upon the Expiration Date, Landlord may elect either (i) to require Tenant to pay any unpaid estimated amount within thirty (30) days after the Expiration Date, which estimate shall be made by Landlord based upon actual and estimated costs for such year, or (ii) to withhold the Security Deposit until the exact amount payable by Tenant is determinable, at which time Tenant shall promptly pay to Landlord any deficiencies or Landlord shall return any excess Security Deposit to Tenant.

#### (e) Documentary Tax.

In the event that any documentary stamp tax, sales tax or any other tax or similar charge (exclusive of any income tax payable by Landlord as a result hereof) becomes applicable to the rental, leasing or letting of the Premises, whether local, state or federal, and is required to be paid due to the execution hereof or otherwise with respect to this Lease or the payments due hereunder, the cost thereof shall be borne by Tenant and shall be paid promptly and prior to same becoming past due. Tenant shall provide Landlord with copies of all paid receipts respecting such tax or charge promptly after payment of same.

#### (f) <u>Late Payment</u>.

If any monthly installment of Minimum Rental, Additional Rental (if any) or any other sum due and payable pursuant to this Lease remains due and unpaid five (5) days after said amount becomes due, Tenant shall pay as Additional Rental hereunder a late payment charge equal to five percent (5%) of such past due amount. All unpaid rent and other sums of whatever nature owed by Tenant to Landlord under this Lease shall bear interest from the tenth (10th) day after the due date thereof until paid at the lesser of two percent (2%) per annum above the "prime rate" as published in The Wall Street Journal from time to time (the "Prime Rate") or the maximum interest rate per annum allowed by law. Acceptance by Landlord of any payment from Tenant hereunder in an amount less than that which is currently due shall in no way affect Landlord's rights under this Lease and shall in no way constitute an accord and satisfaction.

#### 5. ALTERATIONS AND IMPROVEMENTS BY TENANT.

Tenant shall make no structural changes to the Premises or the Building (or to the mechanical or building systems of the Building) and shall make no changes of any kind respecting the Premises or the Building which are visible from the exterior of the Premises

without Landlord's prior written consent, to be granted or withheld in Landlord's sole discretion. Additionally, Landlord shall not unreasonably withhold its consent to Tenant's addition of, at Tenant's sole cost and expense, no more than three (3) dedicated electrical outlets in the Premises as shown on the attached Exhibit C-1 provided the capacity of such electrical outlets does not exceed 208 volt/15 amp at maximum. Any other nonstructural changes or other alterations, additions, or improvements to the Premises shall be made by or on behalf of Tenant only with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. All alterations, additions or improvements, including without limitation all partitions, walls, railings, carpeting, floor and wall coverings and other fixtures (excluding, however, Tenant's trade fixtures as described in the Section entitled "Trade Fixtures and Equipment" below) made by, for, or at the direction of Tenant shall, when made, become the property of Landlord, at Landlord's sole election and shall, unless otherwise specified by Landlord at the time Landlord gives its consent thereto, remain upon the Premises at the expiration or earlier termination of this Lease.

(a) Notwithstanding anything contained herein to the contrary, all alterations and improvements undertaken by Tenant shall be consistent with the then-existing quality, color scheme (where appropriate), general aesthetic appearance and tenor of the balance of the Building and, in any event, Landlord may withhold its consent to any proposed alteration or improvement by Tenant unless Tenant agrees to remove said improvement at the end of the Term and/or restore the Premises to the condition in which it existed prior to the undertaking of the proposed alteration or improvement, damage by fire or other casualty (provided such casualty is not caused by Tenant), condemnation, Landlord, it's agents, or employees excepted. Further, all alterations and improvements to the Premises, including without limitation the Tenant Improvements, whether undertaken by Tenant or Landlord shall be subject to a fee (the "Construction Management Fee"). Tenant agrees to pay Landlord five percent (5%) of the total cost of planning and constructing any alterations and improvements as a Construction Management Fee. Except as otherwise provided herein, Tenant agrees to pay Landlord's invoice therefor.

# 6. <u>USE OF PREMISES.</u>

(a) Tenant shall use the Premises only for general office purposes and/or a commercial photocopy and data recovery facility incorporating computer imaging, scanning, electronic recovery and other uses ancillary thereto and for no other purposes. All deliveries to the Premises, including the delivery of documents for scanning, shall be brought onto the Premises through the rear entry door and shall at no time be brought through the lobby of the Building. Tenant shall comply with all laws, ordinances, orders, regulations or zoning classifications of any lawful governmental authority, agency or other public or private regulatory authority (including insurance underwriters or rating bureaus) having jurisdiction over the Premises. Tenant shall not do any act or follow any practice relating to the Premises, the Building or the Common Areas which shall constitute a nuisance or detract in any way from the reputation of the Building as a first-class real estate development comparable to other comparable buildings in the Raleigh/Durham market taking into account rent and other relevant factors. Tenant's duties in this regard shall include allowing no noxious or offensive odors, fumes, gases, smoke, dust, steam or vapors, or any loud or disturbing noise or vibrations to

originate in or emit from the Premises. In addition, Tenant shall not conduct a sale of any personal property on or about the Premises, the Building or in the Common Areas without the prior written consent of Landlord.

- (b) Without limiting the generality of (a) above, and excepting only office supplies and cleaning materials used by Tenant in its ordinary day to day business operations (but not held for sale, storage or distribution) and then only to the extent used, stored, transported and disposed of strictly in accordance with all applicable laws, regulations and manufacturer's recommendations, the Premises shall not be used for the treatment, storage, transportation to or from, use or disposal of toxic or hazardous wastes, materials, or substances, or any other substance that is prohibited, limited or regulated by any governmental or quasi-governmental authority or that, even if not so regulated, could or does pose a hazard to health and safety of the occupants of the Building or surrounding property (collectively "Hazardous Substances"). In addition, Tenant shall be liable for, and shall indemnify and hold Landlord harmless from, all costs, damages and expenses (including reasonable attorneys' fees) incurred in connection with the use, storage, discharge or disposal of any Hazardous Substances by Tenant or Tenant's Invitees.
- Tenant shall exercise due care in its use and occupancy of the Premises and shall (c) not commit or allow waste to be committed on any portion of the Premises; and at the expiration or earlier termination of this Lease, Tenant shall deliver the Premises to Landlord in the same condition in which it existed as of the Commencement Date, ordinary wear and tear, damages caused by fire or other casualty (provided such casualty is not caused by Tenant), condemnation, Landlord, its agents, employees or acts of God alone excepted. Further, at the expiration or earlier termination of this Lease, Tenant shall, at its sole cost and expense, remove all telecommunications and computer cabling installed by Tenant within the Premises or any other portion of the Building. In the event Tenant fails to remove such cabling within five (5) days after the expiration or earlier termination of this Lease and Landlord has provided Tenant or its agents with reasonable access to the Premises and Building to expedite such removal, Landlord may elect to remove same and Tenant shall promptly reimburse Landlord for all costs incurred by Landlord in connection with the removal of such equipment plus an administration fee equal to twenty-five percent (25%) of such cost. In the event Tenant fails to promptly pay such amounts, Landlord shall be entitled to deduct such amounts from the Security Deposit prior to returning same to Tenant.
- (d) Tenant's use and occupancy of the Premises shall include the use in common with others entitled thereto of the Common Areas and all other improvements provided by Landlord for the common use of the Building tenants, and any other common facility as may be designated from time to time by the Landlord, subject, however, to the terms and conditions of this Lease and to the reasonable rules and regulations for use therefor as prescribed from time to time by the Landlord. Subject to the terms hereof, Tenant, its employees, agents, customers and invitees shall have the nonexclusive use (in common with other benefiting tenants) to use the Common Areas for purposes intended and the non-exclusive use of the adjacent surface parking areas in accordance with Section 1(o) herein. Tenant shall not at any time interfere with the use of the Common Areas by Landlord, another tenant or any other person entitled to use the same. Landlord reserves the right, from time to time, to alter any of the Common Areas, to exercise control and management of the same, and to establish, modify, change and enforce such

reasonable rules and regulations as Landlord in its reasonable discretion may deem desirable for the management of the Building or the Common Areas.

(e) Tenant shall save Landlord harmless from any claims, liabilities, penalties, fines, costs, expenses or damages resulting from the failure of Tenant to comply with the provisions of this Section 6. This indemnification shall survive the termination or expiration of this Lease.

#### 7. SERVICES BY LANDLORD.

Provided that Tenant is not then in default hereunder, Landlord shall cause to be furnished to the Premises and Common Areas in the Building (subject to reimbursement by Tenant as part of the Operating Expenses) in common with other tenants, the following services: janitorial services (inclusive of restroom supplies) commensurate with such service provided by owners of similar properties in the Durham, North Carolina area after normal weekday working hours excluding the Holidays (as hereinafter defined); water if available from city mains for drinking, lavatory and toilet purposes; operatorless elevator service; electricity to the Premises for general office space use; fluorescent lighting replacements to building standard fixtures only; trash removal in accordance with city schedules; heating and air conditioning for reasonably comfortable use and occupancy of the Premises (subject to the limitations described below in this Section 7) and Common Areas in the Building during the "Standard Hours of Operation" (as defined below), providing heating and cooling conforming to any governmental regulation prescribing limitations thereon shall be deemed to comply with this service; restrooms to the Common Areas of the floor in which the Premises is located; and, reasonable lighting to the Common Areas. All additional costs resulting from Tenant's extraordinary usage of heating, air conditioning or electricity shall be paid by Tenant, but Tenant shall not install equipment with unusual demands for any of the foregoing without Landlord's prior written consent which Landlord may withhold if it determines that in its opinion such equipment may not be safely used in the Premises or that electrical service is not adequate therefor. Notwithstanding anything contained herein to the contrary, Landlord reserves the right to contract with any third party provider of such utilities to provide such services to the Premises, the Building and the Business Park in the most economical manner and Tenant shall not contract with any other third party provider to supply such utilities to the Premises without Landlord's prior written consent. So long as Landlord acts reasonably and in good faith, there shall be no abatement or reduction of rent by reason of any of the foregoing services not being continuously provided to Tenant.

Notwithstanding anything herein to the contrary, Landlord need only provide air conditioning service to the Premises sufficient for ordinary office purposes and under no circumstances shall Landlord be required to install supplemental air conditioning and ventilation equipment in order to accommodate Tenant's specific use of the Premises. Tenant may install supplemental air conditioning and ventilation equipment within the Premises with Landlord's prior written consent which consent may be withheld or conditioned in Landlord's sole discretion. Such installation of supplemental air conditioning and ventilation equipment in the Premises shall be performed by Tenant, at Tenant's sole cost and expense (under the direct supervision of Landlord's contractor). Landlord agrees to provide heating and air conditioning after-hours (i.e., hours before or after the Standard Hours of Operation) at Tenant's request after reasonable notice and if the area to be served is zoned for this purpose. The cost of after-hours service of heating or air conditioning shall be Additional Rental payable monthly by Tenant at

\$25.00 per unit per hour. Tenant's use of the above described supplemental air conditioning and ventilation equipment shall not be subject to the \$25.00 per unit per hour charge.

As used herein, "Standard Hours of Operation" shall mean and refer to those hours of operation at the Building which are 7:30 a.m. to 6:30 p.m. Monday through Friday and 8:00 a.m. through 1:00 p.m. on Saturday, except Holidays. "Holidays" shall mean and refer to each of the following days (on the day set aside for observance): New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and any other holiday(s) generally recognized as such by landlords of office space in the Raleigh/Durham Area office market, as reasonably determined by Landlord.

Landlord shall not be liable to Tenant for any damage caused to Tenant and its property due to the Building or any part or appurtenance thereof being improperly constructed or being or becoming out of repair, or arising from the leaking of a pipe, facility or system for any utility. Tenant shall immediately report to Landlord any defective condition in or about the Premises known to Tenant, and if such defect is not so reported and such failure results in other damage, Tenant shall be liable for the same.

### 8. TAXES ON LEASE AND TENANT'S PROPERTY.

- (a) Tenant shall pay any taxes, documentary stamps or assessments of any nature which may be imposed or assessed upon this Lease, Tenant's occupancy of the Premises or Tenant's trade fixtures, equipment, machinery, inventory, merchandise or other personal property located on the Premises and owned by or in the custody of Tenant as promptly as all such taxes or assessments may become due and payable without any delinquency.
- (b) Landlord shall pay, subject to reimbursement from Tenant as provided in the Section entitled "Rental" of this Lease, all ad valorem property taxes which are now or hereafter assessed upon the Building, the Premises and the Common Areas, except as otherwise expressly provided in this Lease.

# 9. **INSURANCE AND INDEMNITY.**

(a) Fire and Extended Coverage Insurance. Landlord shall maintain and pay, subject to reimbursement by Tenant as provided in Section 4 hereof, for fire and casualty special form "all risk" insurance, with extended coverage (including boiler and machinery coverage), covering the Building equal to at least eighty percent (80%) of the replacement cost thereof. Tenant shall not do or cause to be done or permit on the Premises or in the Building anything deemed extrahazardous on account of fire and Tenant shall not use the Premises, the Common Areas or the Building in any manner which will cause an increase in the premium rate for any insurance in effect on the Building or a part thereof. Landlord warrants and represents that Tenant's use of the Premises as offices shall not cause an increase in the premium rate for Landlord's insurance in effect on the Building or a part thereto. If, because of anything done, caused to be done, permitted or omitted by Tenant or Tenant's Invitees, the premium rate for any kind of Landlord's insurance in effect on the Building or any part thereof shall be raised, Tenant shall pay Landlord on demand the amount of any such increase in premium which Landlord shall pay for such insurance and if Landlord shall demand that Tenant remedy the condition which

caused any such increase in an insurance premium rate, Tenant shall remedy such condition within five (5) days after receipt of such demand. Tenant shall maintain and pay for all fire and extended coverage insurance on its contents in the Premises, including trade fixtures, equipment, machinery, merchandise or other personal property belonging to or in the custody of Tenant. In addition, at all times during the Term, Tenant shall procure and maintain business income and extra expense coverage in such amounts as will reimburse Tenant for direct or indirect loss or earnings attributable to any loss caused by fire or other casualty or cause including, but not limited to, vandalism, theft and water damage of any type. Tenant shall first furnish to Landlord copies of insurance policies or certificates of insurance evidencing the required coverage prior to the Commencement Date and thereafter prior to each policy renewal date.

Notwithstanding anything herein to the contrary, Landlord reserves the right for itself, successors and assigns to self-insure against any risk required hereunder to be insured or otherwise assumed by Landlord so long as any such program of self-insurance affords the same coverage of risks and benefits which would be afforded in the event Landlord procured insurance from a third-party insurer.

- Liability Insurance. At all times during the term of this Lease, Tenant shall, at its sole cost and expense, keep in force adequate public liability insurance under the terms of a commercial general liability policy (occurrence coverage) in the amount of not less than Three Million and No/100 Dollars (\$3,000,000.00) single limit with such company(ies) licensed to do business in North Carolina and as shall from time to time be reasonably acceptable to Landlord (and to any lender having a mortgage interest in the Premises) and naming Landlord and Landlord's designated agent as an additional insured (and, if requested by Landlord from time to time, naming Landlord's mortgagee as an additional insured). In the event Tenant employs any contractor to perform any work in the Premises, Tenant shall provide Landlord with insurance certificates naming Landlord and such other parties as Landlord may designate as additional insureds under policies of builders risk and general liability insurance and shall also provide Landlord with evidence of satisfactory workers compensation coverage in accordance with applicable statutory requirements. All policies of insurance required to be maintained by Tenant shall be with companies rated A-X or better in the most current issue of Best's Insurance Reports and shall have a deductible of \$25,000.00 or less. Such insurance shall include, without limitation, personal injury and contractual liability coverage for the performance by Tenant of the indemnity agreements set forth in this Lease. Tenant shall first furnish to Landlord copies of policies or certificates of insurance evidencing the required coverage prior to the Commencement Date and thereafter prior to each policy renewal date. All policies required of Tenant hereunder shall contain a provision whereby the insurer is not allowed to cancel or change materially the coverage without first giving thirty (30) days' written notice to Landlord.
- (c) <u>Indemnity</u>. Tenant shall indemnify and save Landlord harmless against any and all claims, suits, demands, actions, fines, damages, and liabilities, and all costs and expenses thereof (including without limitation reasonable attorneys' fees) attributable to Tenant's use or occupancy of the Premises, or otherwise arising out of injury to persons (including death) or property occurring in, on or about, or arising out of the Premises or other areas in the Building if caused or occasioned wholly or in part by any act or omission of Tenant or Tenant's Invitees, except to the extent caused by the gross negligence or willful misconduct of Landlord. The non-prevailing party shall also pay all costs, expenses and reasonable attorneys' fees that may be

incurred by the prevailing party in enforcing the agreements of this Lease, whether incurred as a result of litigation or otherwise. Tenant shall give Landlord immediate notice of any such happening causing injury to persons or property.

(d) <u>Landlord Insurance</u>. Landlord shall keep in force during the term of this Lease insurance in such amounts and coverages as Landlord deems appropriate or is otherwise required of Landlord by third parties, such as its lender.

#### 10. LANDLORD'S COVENANT TO REPAIR AND REPLACE.

During the Term, Landlord shall be responsible for necessary repairs or (a) replacements to the Common Areas and the base building and structural components and other components of the Building which may be designated as Landlord's Work on Exhibit "C" attached hereto, such building components shall include but not be limited to, the central plumbing, mechanical, fire and safety, glass and electrical systems serving the Building, except for repairs or replacements to any Tenant Improvements or any trade fixtures or equipment required or requested by Tenant, or otherwise necessitated by the negligence, misconduct, or acts or omissions of Tenant or Tenant's Invitees, which shall be made at Tenant's sole cost and expense, unless such amounts are paid to Landlord pursuant to an insurance policy. As of the date hereof, the components of Landlord's Work are in good working order and repair. Landlord shall maintain the Building in a manner which is comparable with other comparable buildings in the Raleigh/Durham market, taking into account rent and other relevant factors, and in substantial compliance with applicable laws, regulations, ordinances and codes; however, any non-compliance shall not materially impair Tenant's use and enjoyment of the Premises or constitute a threat or danger to the health or safety of Tenant or Tenant's Invitees. Landlord's repairs and replacements shall be made as soon as reasonably possible using due diligence and reasonable efforts, taking into account in each instance all circumstances surrounding the repair or replacement including without limitation, the materiality of the repair or replacement to Tenant's use and operation of its business within the Premises and the relation thereof to the enjoyment of same, such period not to exceed 90 days after receiving written notice from Tenant of the need for repairs or such longer period of time as is reasonably necessary under the circumstances so long as Landlord is diligently pursuing the completion of same; provided, however, in no event shall such period of time exceed 180 days after receipt of written notice from Tenant. If Landlord cannot, using due diligence, complete its repairs within the time period herein specified and such failure to repair has a material adverse impact on Tenant's use or occupancy of the Premises, then (unless the need for such repairs or replacements is the result of the negligence, misconduct or acts or omissions of Tenant or Tenant's Invitees, in which event Tenant shall not be entitled to any remedy) either party may terminate this Lease effective upon thirty (30) days prior written notice to the other, without prejudice to Landlord's rights to receive payment from Tenant for uninsured damages caused directly or indirectly by Tenant or Tenant's Invitees. If the need for such repairs or replacements is the result of the negligence, misconduct or acts or omissions of Tenant or Tenant's Invitees, and the expense of such repairs or replacements are not fully covered and paid by Landlord's insurance, then Tenant shall pay Landlord the full amount of expenses not covered. Landlord's duty to repair or replace as prescribed in this Section shall be Tenant's sole remedy and shall be in lieu of all other warranties or guaranties of Landlord, express or implied. Notwithstanding the provisions of this Lease to the contrary, in connection with any such repairs, Landlord shall promptly repair any damage to the Premises which are caused directly by the negligence or willful misconduct of Landlord, its agents, or employees.

(b) Landlord shall not be liable for any failure to make any repairs or to perform any maintenance required of Landlord hereunder unless such failure shall persist for an unreasonable period of time after written notice from Tenant setting forth the need for such repair(s) or replacement(s) in reasonable detail has been received by Landlord. Except as set forth in the Section of this Lease, entitled "Damage or Destruction of Premises", there shall be no abatement of rent. There shall be no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, replacements, alterations or improvements to any portion of the Building or the Premises, or to fixtures, appurtenances and equipment therein except to the extent caused directly by Landlord's gross negligence or willful misconduct. To the extent permitted under applicable law, Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect.

# 11. PROPERTY OF TENANT.

All property placed on the Premises by, at the direction of, or with the consent of Tenant or Tenant's Invitees, shall be at the risk of Tenant or the owner thereof and Landlord shall not be liable for any loss of or damage to said property resulting from any cause whatsoever except to the extent of any loss or damage caused by the gross negligence or willful misconduct of Landlord or its agents, provided same is not covered by the insurance Tenant is required to maintain under the terms of this Lease.

#### 12. TRADE FIXTURES AND EQUIPMENT.

Prior to installation, Tenant shall furnish to Landlord notice of all trade fixtures and equipment which it intends to install within the Premises and the installation of same shall be subject to Landlord's consent which consent shall not be unreasonably withheld or delayed. So long as no Event of Default has occurred and is continuing hereunder, any trade fixtures and equipment installed in the Premises at Tenant's expense and identified by Tenant in notice to Landlord shall remain Tenant's personal property and Tenant shall have the right at any time during the Term to remove such trade fixtures and equipment. Upon removal of any trade fixtures or equipment, Tenant shall immediately restore the Premises to substantially the same condition in which it existed when the Premises was delivered to Tenant by Landlord, ordinary wear and tear, damages caused by fire or other casualty (provided that such casualty was not caused by Tenant), condemnation, Landlord, its agents, employees or acts of God excepted. Any trade fixtures not removed by Tenant at the expiration or an earlier termination of the Lease shall, at Landlord's sole election, either (i) become the property of Landlord, in which event Landlord shall be entitled to handle and dispose of same in any manner Landlord deems fit without any liability or obligation to Tenant or any other third party with respect thereto, or (ii) be subject to Landlord's removing such property from the Premises and storing same, all at Tenant's expense and without any recourse against Landlord with respect thereto. Without limiting the generality of the foregoing, the following property shall in no event be deemed to be "trade fixtures" and Tenant shall not remove any such property from the Premises under any circumstances, regardless of whether installed by Landlord or Tenant: (a) any air conditioning, air ventilating or heating fixtures or equipment; (b) any lighting fixtures or equipment; (c) any

carpeting or other permanent floor coverings; (d) any paneling or other wall coverings; (e) plumbing fixtures and equipment; or (f) permanent shelving. Notwithstanding the foregoing, Tenant may remove any supplemental air conditioning system, humidifier or dehumidifier installed by Tenant or at Tenant's sole cost and expense which is not a fixture (i.e. located in the Premises but not physically attached to the Premises nor the Building).

#### 13. DAMAGE OR DESTRUCTION OF PREMISES.

If the Premises are damaged by fire or other casualty, but are not rendered untenantable for Tenant's business, either in whole or in part, Landlord shall cause such damage to be repaired without unreasonable delay and the Annual Rental and Tenant's Proportionate Share of Operating Expenses shall not abate. If by reason of such casualty the Premises are rendered untenantable for Tenant's business, (or because of a casualty to the Building, access to the Premises is unavailable) either in whole or in part, Landlord shall cause the damage to the physical structure of the Building (excluding any tenant improvements or alterations therein made by Tenant) to be repaired or replaced without unreasonable delay, and, in the interim, the Annual Rental and Tenant's Proportionate Share of Operating Expenses shall be proportionately reduced as to such portion of the Premises as is rendered untenantable. Any such abatement of rent shall not, however, create an extension of the Term. Provided, however, if by reason of such casualty, the Premises are rendered untenantable in some material portion (or because of a casualty to the Building, access to the Premises is unavailable), and Landlord, in its reasonable estimation, determines that the amount of time required to repair the damage using due diligence is in excess of two hundred seventy (270) days (as measured from the issuance of the applicable building permits necessary for the reconstruction of the Building), then either party shall have the right to terminate this Lease by giving written notice of termination within thirty (30) days after the date of casualty, and the Annual Rental and Tenant's Proportionate Share of Operating Expenses shall (i) abate as of the date of such casualty in proportion to the part of the Premises rendered untenantable and (ii) abate entirely as of the effective date of the termination of this Lease. Notwithstanding the foregoing, in the event the casualty giving rise to an election to terminate is caused by the negligence, misconduct or acts or omissions of Tenant or Tenant's Invitees, Tenant shall have no right to terminate this Lease. Notwithstanding the other provisions of this Section, in the event there should be a casualty loss to the Premises during the last Lease Year of the Term, Landlord may, at its option, terminate this Lease by giving written notice to Tenant within thirty (30) days after the date of the casualty, and the Annual Rental and Tenant's Proportionate Share of Operating Expenses shall abate as of the date of termination. Except as provided herein, Landlord shall have no obligation to rebuild or repair in case of fire or other casualty, and no termination under this Section shall affect any rights of Landlord or Tenant hereunder arising from the prior defaults of the other party. Tenant shall give Landlord immediate notice of any fire or other casualty in the Premises. Notwithstanding anything contained in this Section to the contrary, Landlord shall only be obligated to restore the Premises to a building standard condition if the insurance proceeds received by Landlord are sufficient to restore the Premises to a building standard condition or Tenant makes available to Landlord proceeds from Tenant's insurance sufficient to repair and restore the Premises to the condition in which it existed immediately prior to such casualty, including those items in excess of building standard. In any event, Landlord shall not be required to expend more funds than the amount received by Landlord from the proceeds of any insurance and any amounts received from

Tenant. Landlord and Tenant mutually agree that the improvements existing in the Premises as of the date of this Lease are deemed to be building standard.

# 14. GOVERNMENTAL ORDERS.

Except as hereinbelow set forth regarding compliance of the physical structure of the Building with applicable governmental regulations, including without limitation, compliance with the applicable requirements of the Americans with Disabilities Act and the implementing regulations thereof (the "ADA") as of the Commencement Date, Tenant agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority that may be in effect from time to time made necessary by reason of Tenant's use or occupancy of the Premises. Landlord agrees to comply promptly with any such requirements if not made necessary by reason of Tenant's use or occupancy. With regard to the physical structure of the Building, Landlord agrees to use good faith and due diligence to undertake those actions that are "readily achievable" (as such term is defined in the ADA) in order to attempt to bring the physical structure of the Building in compliance with the applicable requirements of the ADA in effect as of the Commencement Date. If it is determined that for any reason Landlord shall have failed to cause the physical structure of the Building to be brought into compliance with the ADA as of the Commencement Date (to at least the minimum extent required under applicable regulations then in effect), then Landlord, as its sole obligation, will take the action(s) necessary to cause the physical structure of the Building (excluding any tenant improvements or alterations) to so comply, and Tenant acknowledges and agrees that Landlord has and shall have no other obligation or liability whatsoever to Tenant, or to anyone claiming by or through Tenant, regarding any failure of the Building or the activities therein to comply with the applicable requirements of the ADA. Notwithstanding anything contained herein to the contrary, it is agreed that: (a) Tenant is exclusively responsible for all compliance with all requirements of any legally constituted public authority in the event non-compliance relates to Tenant's use of Premises and Landlord is responsible for all compliance with all requirements of any legally constituted public authority as it relates to the Plans and (b) in the event of any non-compliance for which Landlord is responsible, Landlord shall not be deemed in breach of this Lease if such non-compliance does not materially impair Tenant's use of, or operations from, the Premises or threaten or endanger the health or safety of Tenant or Tenant's Invitees.

# 15. MUTUAL WAIVER OF SUBROGATION.

Notwithstanding the provisions of this Lease to the contrary, for the purpose of waiver of subrogation, the parties mutually release and waive unto the other all rights to claim damages, costs or expenses for any injury to property caused by a casualty or any other matter whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance or would have been paid if the injured party had carried the insurance required of it hereunder. All insurance policies carried with respect to this Lease, if permitted under applicable law, shall contain a provision whereby the insurer waives, prior to loss, all rights of subrogation against either Landlord or Tenant.

#### 16. SIGNS AND ADVERTISING.

- (a) Landlord shall install, at Tenant's sole cost and expense, tenant identification signage in accordance with building standards at or near the suite entrance to the Premises and in the directory located in the lobby of the Building.
- (b) In order to provide architectural control for the Building and the Business Park, Tenant shall not install any exterior signs, marquees, billboards, outside lighting fixtures and/or other decorations on the Building, the Premises or the Common Areas. Landlord shall have the right to remove any such sign or other decoration restore fully the Building, the Premises or the Common Areas at the cost and the expense of Tenant if any such exterior work is done without Landlord's prior written approval, which approval Landlord shall be entitled to withhold or deny in its sole discretion. Tenant shall not permit, allow or cause to be used in, on or about the Premises any sound production devices, mechanical or moving display devices, bright lights, or other advertising media, the effect of which would be visible or audible from the exterior of the Premises.

### 17. LANDLORD'S RIGHT OF ENTRY.

Landlord, and those persons authorized by it, shall have the right to enter the Premises at all reasonable times and upon reasonable notice (except in the event of an emergency) for the purposes of making repairs, making connections, installing utilities, providing services to the Premises or for any other tenant, making inspections or showing the same to prospective purchasers, lenders or prospective tenants, as well as at any time without notice in the event of emergency involving possible injury to property or persons in or around the Premises or the Building.

#### 18. LANDLORD'S LIEN.

In addition to any statutory lien in Landlord's favor, Landlord shall have and Tenant hereby grants to Landlord a continuing first security lien interest for all rentals and other sums of money due or to become due hereunder from Tenant, and to secure payment for any damages or loss which Landlord may suffer by reason of the breach by Tenant of any covenant, agreement or condition contained herein, upon all goods, wares, equipment, fixtures, furniture, inventory, and other personal property of Tenant now or hereafter situated at the Premises, and all proceeds therefrom; and such property shall not be removed from the Premises without the consent of Landlord until all arrearages in rent as well as any and all other sums of money then due to Landlord hereunder shall first have been paid and discharged and all the covenants, agreements and conditions hereof have been fully complied with and performed by Tenant. In the event any of the foregoing described property is removed from the Premises in violation of the covenant in the preceding sentence, the security interest shall continue in such property regardless of location. Upon the occurrence of a default by Tenant hereunder, Landlord shall have, in addition to all other rights and remedies, all rights and remedies under the Uniform Commercial Code then in effect in the State of North Carolina, including, without limitation, the right to sell the property described in this Section at public or private sale. Any surplus shall be paid Tenant or as otherwise required by law; and Tenant shall pay any deficiencies therein to Landlord forthwith. Tenant hereby agrees to execute such other instruments necessary or desirable under applicable law to perfect the security interest hereby created, including a financing statement. In no event shall Tenant or Tenant's lender cause to be recorded any financing statements, Uniform Commercial Code filings or their equivalents in connection with this Lease which would affect or otherwise impair or encumber title to the Building or Landlord's fixtures and real or personal property located in the Building or the Business Park.

#### 19. EMINENT DOMAIN.

If any substantial portion of the Premises is taken under the power of eminent domain (including any conveyance made in lieu thereof) or if such taking shall materially impair the normal operation of Tenant's business, then either party shall have the right to terminate this Lease by giving written notice of such termination within thirty (30) days after such taking. If neither party elects to terminate this Lease, Landlord shall repair and restore the Premises to the best possible tenantable condition (but only to the extent of any condemnation proceeds made available to Landlord) and the Annual Rental and Tenant's Proportionate Share of Operating Expenses shall be proportionately and equitably reduced as of the date of the taking. All compensation awarded for any taking (or the proceeds of a private sale in lieu thereof) shall be the property of Landlord whether such award is for compensation for damages to the Landlord's or Tenant's interest in the Premises, and Tenant hereby assigns all of its interest in any such award to Landlord; provided, however, Landlord shall not have any interest in any separate award made to Tenant for loss of business, moving expense or the taking of Tenant's trade fixtures or equipment if a separate award for such items is made to Tenant and such separate award does not reduce the award to Landlord. Notwithstanding the foregoing, in no event shall Tenant be entitled to any compensation for the loss of its leasehold estate.

# 20. EVENTS OF DEFAULT AND REMEDIES.

- (a) Upon the occurrence of any one or more of the following events (the "Events of Default," any one an "Event of Default"), Landlord shall have the right to exercise any rights or remedies available in this Lease, at law or in equity. Events of Default shall be:
  - (i) Tenant's failure to pay any rental or other sum of money payable hereunder and after five (5) days from Landlord's notice to Tenant of such failure;
  - (ii) Tenant's failure to perform any other of the terms, covenants or conditions contained in this Lease if not remedied within thirty (30) days after receipt of written notice thereof, or if such default cannot be remedied within such period, Tenant does not within thirty (30) days after written notice thereof commence such act or acts as shall be necessary to remedy the default and shall not thereafter diligently prosecute such cure and complete such act or acts within ninety (90) days after written notice thereof:
  - (iii) Tenant shall become bankrupt or insolvent, or file any debtor proceedings, or file pursuant to any statute a petition in bankruptcy or insolvency or for reorganization, or file a petition for the appointment of a receiver or trustee for all or substantially all of Tenant's assets and such petition or appointment shall not have been set aside within sixty (60) days from the date of such petition or appointment, or if Tenant makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement; or

- (iv) A default by Tenant under any other lease heretofore or hereafter made by Tenant for any other space in the Business Park.
- In addition to its other remedies, Landlord, upon an Event of Default by Tenant, shall have the immediate right, after any applicable grace period expressed herein, to terminate and cancel this Lease and/or terminate Tenant's right of possession and reenter and remove all persons and properties from the Premises and dispose of such property as it deems fit, all without being guilty of trespass or being liable for any damages caused thereby. If Landlord reenters the Premises, it may either terminate this Lease or, from time to time without terminating this Lease, terminate Tenant's right of possession and make such alterations and repairs as may be necessary or appropriate to relet the Premises and relet the Premises upon such terms and conditions as Landlord deems advisable without any responsibility on Landlord whatsoever to account to Tenant for any surplus rents collected. No retaking of possession of the Premises by Landlord shall be deemed as an election to terminate this Lease unless a written notice of such intention is given by Landlord to Tenant at the time of reentry; but, notwithstanding any such reentry or reletting without termination, Landlord may at any time thereafter elect to terminate for such previous default. In the event of an elected termination by Landlord, whether before or after reentry, Landlord may recover from Tenant damages, including the costs of recovering the Premises and any costs incurred in reletting the Premises, and Tenant shall remain liable to Landlord for the total Annual Rental (which may at Landlord's election be accelerated to be due and payable in full as of the Event of Default and recoverable as damages in a lump sum) as would have been payable by Tenant hereunder for the remainder of the term less the rentals actually received from any reletting or, at Landlord's election, less the reasonable rental value of the Premises for the remainder of the term. In determining the Annual Rental which would be payable by Tenant subsequent to default, except with respect to Minimum Rental (which shall be calculated in accordance with Section 1(g) hereof), the Annual Rental for each Lease Year of the unexpired term shall be equal to the Annual Rental payable by Tenant for the last Lease Year prior to the default. If any rent owing under this Lease is collected by or through an attorney. Tenant agrees to pay Landlord's reasonable attorneys' fees to the extent allowed by applicable law.

#### 21. SUBORDINATION.

This Lease is subject and subordinate to any and all mortgages or deeds of trust currently existing on the property of which the Premises is a part, and this clause shall be self-operative without any further instrument necessary to effect such subordination; however, if requested by Landlord, Tenant shall promptly execute and deliver to Landlord any such certificate(s) provided by Landlord in a commercially reasonable form as Landlord may reasonably request evidencing the subordination of this Lease to, or the assignment of this Lease as additional security for, such mortgages or deeds of trust. Subject to the condition precedent that Landlord provide Tenant with a non-disturbance agreement in a commercially reasonable form in favor of Tenant from any mortgagee, trustee or beneficiary, this Lease shall be subject and subordinate to any mortgage or deed of trust which may hereafter encumber the property of which the Premises is a part. Tenant's obligations under this Lease shall continue in full force and effect notwithstanding any such default proceedings under a mortgage or deed of trust and shall attorn to the mortgagee, trustee or beneficiary of such mortgage or deed of trust, and their successors or assigns, and to the transferee under any foreclosure or default proceedings. Tenant will, upon

request by Landlord, execute and deliver to Landlord or to any other person designated by Landlord, any instrument or instruments in a commercially reasonable form required to give effect to the provisions of this Section.

#### 22. ASSIGNMENT AND SUBLETTING.

Tenant shall not assign, sublet, mortgage, pledge or encumber this Lease, the Premises, or any interest in the whole or in any portion thereof, directly or indirectly, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. In the event of any assignment, sublease, mortgage, pledge or encumbrance, Tenant shall: (i) remain primarily liable for the performance of all terms of this Lease, (ii) pay all reasonable costs incurred by Landlord in connection with such assignment, sublease or mortgage, including without limitation, attorneys' fees and an administration and processing fee equal to two percent (2%) of the total base rent due and payable by such subtenant or assignee under the terms of said assignment or sublease, and (iii) pay to Landlord any rental or any fees or charges received by Tenant in excess of the Annual Rental payable to Landlord hereunder as further rental under this Lease. Landlord's consent to one assignment or sublease will not waive the requirement of its consent to any subsequent assignment or sublease as required herein. Any attempted assignment or sublease by Tenant in violation of the terms and conditions of this numbered Section 22 shall be null and void. Upon notice to Landlord of a proposed sublease or assignment of all or any portion of the Premises (the "Proposed Space"), Landlord shall have the option, within fifteen (15) days after its receipt of such notice, to terminate this Lease with respect to the Proposed Space to be effective thirty (30) days after Landlord's notice to Tenant of its election to terminate, whereupon the parties hereto shall have no further rights or liabilities with respect to the Proposed Space except as otherwise expressly set forth herein.

In the event of a proposed assignment of this Lease or subletting of all or a part of the Premises, Tenant shall submit to Landlord, in writing, (i) the name of the proposed assignee or sublessee, (ii) current financial statements available to Tenant disclosing the financial condition of the proposed assignee or subtenant, (iii) the nature of the business of the proposed assignee or sublessee, and its proposed use of the Premises (any assignment or subletting being subject to restrictions on use contained in this Lease, the violation of which by the proposed assignee or sublessee shall constitute absolute grounds for Landlord's denial of the requested assignment or subletting, such grounds not being the exclusive grounds for denial under clause (iii)) and (iv) the proposed commencement date of the assignment or subletting, together with a copy of the proposed assignment or sublease. Within thirty (30) days after its receipt of such notice, Landlord shall either approve or disapprove such proposed assignment or sublease in writing. Tenant shall promptly deliver a copy of the fully executed assignment or sublease to Landlord upon its receipt of same.

Notwithstanding anything in this Lease to the contrary, Tenant further agrees that any assignment or sublease shall be subject to the following additional limitations: (i) in no event may Tenant assign this Lease or sublet all or any portion of the Premises to an existing Tenant of the Business Park or its subtenant or assignee (unless Landlord consents to such assignment or sublease); (ii) in no event shall the proposed subtenant or assignee be a person or entity with whom Landlord or its agent is negotiating and to or from whom Landlord, or its agent, has given or received any written or oral proposal within the past six (6) months regarding a lease of space

in the Business Park; and (iii) Tenant shall not publicly advertise the rate for which Tenant is willing to sublet the Premises; and all public advertisements of the assignment of the Lease or sublet of the Premises, or any portion thereof, shall be subject to prior written approval by Landlord, such approval not to be unreasonably withheld or delayed. Said public advertisement shall include, but not be limited to, the placement or display of any signs or lettering on the exterior of the Premises or on the glass or any window or door of the Premises or in the interior of the Premises if it is visible from the exterior.

# 23. LANDLORD DEFAULT.

In the event of any default by Landlord under this Lease, Tenant will give Landlord written notice specifying such default with particularity, and Landlord shall thereupon have thirty (30) days (or such longer period as may be required in the exercise of due diligence) in which to cure any such default. Unless and until Landlord fails to so cure any default after such notice, Tenant shall not have any remedy or cause of action by reason thereof. All obligations of Landlord hereunder will be construed as covenants, not conditions. Notwithstanding any other provisions of this Lease to the contrary, Tenant shall look solely to Landlord's equity in the Building, and not to any other or separate business or non-business assets of Landlord, or any partner, shareholder, officers or representative of Landlord, for the satisfaction of any claim brought by Tenant against Landlord, and if Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only: (i) out of the proceeds of sale received upon levy against Landlord's equity in the Building, and/or (ii) to the extent not encumbered by a secured creditor, out of the rents or other incomes receivable by Landlord from the Building from and after the date of such judgment. Further, in the event the owner of Landlord's interest in this Lease is at any time a partnership, joint venture or unincorporated association. Tenant agrees that the members or partners of such partnership, joint venture or unincorporated association shall not be personally or individually liable or responsible for the performance of any of Landlord's obligations hereunder. With respect to any provisions of this Lease which provides that Landlord shall not unreasonably withhold or delay any consent or approval, Tenant shall not have, and Tenant hereby waives, any claim for money damages; nor shall Tenant claim any money damages by way of setoff. counterclaim or defense, based upon any allegation of unreasonableness by Landlord. Tenant's sole remedy shall be an action or proceeding to enforce any such provisions, or for specific performance, injunction or declaratory judgment.

#### 24. TRANSFER OF LANDLORD'S INTEREST.

If Landlord shall sell, assign or transfer all or any part of its interest in the Building or in this Lease to a successor in interest which expressly assumes the obligations of Landlord hereunder, then Landlord shall thereupon be released or discharged from all covenants and obligations hereunder, and Tenant shall look solely to such successor in interest for performance of all of Landlord's obligations and such successor shall be obligated to perform all of Landlord's obligations under this Lease which accrue after the date of such transfer. Tenant's obligations under this Lease shall in no manner be affected by Landlord's sale, assignment, or transfer of all or any part of such interest(s) of Landlord, and Tenant shall thereafter attorn and look solely to such successor in interest as the Landlord hereunder.

# 25. COVENANT OF QUIET ENJOYMENT.

Landlord represents that it has full right and authority to lease the Premises and Tenant shall peacefully and quietly hold and enjoy the Premises for the full Term hereof so long as no Event of Default by Tenant occurs hereunder.

# 26. <u>ESTOPPEL CERTIFICATES</u>.

Within ten (10) days after a request by Landlord, Tenant shall deliver a written estoppel certificate, in form supplied by or acceptable to Landlord, certifying any facts that are then true with respect to this Lease, including without limitation that this Lease is in full force and effect, that no Event of Default exists on the part of Landlord or Tenant, that Tenant is in possession, that Tenant has commenced the payment of rent, and that Tenant claims no defenses or offsets with respect to payment of rentals under this Lease. Within thirty (30) days after a request by Tenant, Landlord shall deliver to Tenant a similar estoppel certificate covering such matters as are reasonably required by Tenant.

# 27. PROTECTION AGAINST LIENS.

Tenant shall do all things necessary to prevent the filing of any mechanics', materialmen's or other types of liens whatsoever, against all or any part of the Premises by reason of any claims made by, against, through or under Tenant. If any such lien is filed against the Premises, Tenant shall either cause the same to be discharged of record within twenty (20) days after filing or, if Tenant in its discretion and in good faith determines that such lien should be contested, it shall furnish such security as may be necessary to prevent any foreclosure proceedings against the Premises during the pendency of such contest. If Tenant shall fail to discharge such lien within said time period or fail to furnish such security, then Landlord may at its election, in addition to any other right or remedy available to it, discharge the lien by paying the amount claimed to be due or by procuring the discharge by giving security or in such other manner as may be allowed by law. If Landlord acts to discharge or secure the lien then Tenant shall immediately reimburse Landlord for all sums paid and all costs and expenses (including reasonable attorneys' fees) incurred by Landlord involving such lien together with interest on the total expenses and costs at an interest rate equal to the Prime Rate plus five percent (5%).

#### 28. MEMORANDUM OF LEASE.

If requested by Tenant, Landlord shall execute a recordable Memorandum or Short Form Lease, prepared at Tenant's expense, specifying the exact term of this Lease and such other terms as the parties shall mutually determine.

#### 29. FORCE MAJEURE.

In the event Landlord or Tenant shall be delayed, hindered or prevented from the performance of any act required hereunder, by reason of governmental restrictions, scarcity of labor or materials, strikes, fire, or any other reasons beyond its reasonable control, the performance of such act shall be excused for the period of delay, and the period for performance of any such act shall be extended as necessary to complete performance after the delay period.

However, the provisions of this Section shall in no way be applicable to Tenant's obligations to pay Annual Rental or any other sums, monies, costs, charges or expenses required by this Lease.

#### 30. REMEDIES CUMULATIVE - NONWAIVER.

Unless otherwise specified in this Lease, no remedy of Landlord or Tenant shall be considered exclusive of any other remedy, but each shall be distinct, separate and cumulative with other available remedies. Each remedy available under this Lease or at law or in equity may be exercised by Landlord or Tenant from time to time as often as the need may arise. No course of dealing between Landlord and Tenant or any delay or omission of Landlord or Tenant in exercising any right arising from the other party's default shall impair such right or be construed to be a waiver of a default.

#### 31. HOLDING OVER.

If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term, whether with or without Landlord's acquiescence, Tenant shall be deemed only a tenant at will and there shall be no renewal of this Lease without a written agreement signed by both parties specifying such renewal. The "monthly" rental payable by Tenant during any such tenancy at will period shall be one hundred fifty percent (150%) of the monthly installments of Annual Rental payable during the final Lease Year immediately preceding such expiration. Tenant shall also remain liable for any and all damages, direct and consequential, suffered by Landlord as a result of any holdover without Landlord's unequivocal written acquiescence.

#### 32. NOTICES.

Any notice allowed or required by this Lease shall be deemed to have been sufficiently served if the same shall be in writing and placed in the United States mail, via certified mail or registered mail, return receipt requested, with proper postage prepaid or delivered by a nationally recognized overnight courier and addressed to the appropriate party at the address set forth in Section 1(k) hereof.

The addresses of Landlord and Tenant and the party, if any, to whose attention a notice or copy of same shall be directed may be changed or added from time to time by either party giving notice to the other in the prescribed manner.

# 33. **LEASING COMMISSION**.

Landlord and Tenant represent and warrant each to the other that they have not dealt with any broker(s) or any other person claiming any entitlement to any commission in connection with this transaction except the Brokers set forth in Section 1(m) hereof. Tenant agrees to indemnify and save Landlord and Landlord's agent, Tri Properties Inc., harmless from and against any and all claims, suits, liabilities, costs, judgments and expenses, including reasonable attorneys' fees, for any leasing commissions or other commissions, fees, charges or payments resulting from or arising out of its respective actions in connection with this Lease. Landlord agrees to indemnify and save Tenant harmless from and against any and all claims, suits, liabilities, costs, judgments and expenses, including reasonable attorneys' fees, for any leasing commissions or other commissions, fees, charges or payments resulting from or arising out of its

actions in connection with this Lease. Landlord agrees to be responsible for the leasing commission due Brokers pursuant to a separate written agreement between Landlord and Brokers, and to hold Tenant harmless respecting same.

### 34. MISCELLANEOUS.

#### (a) Rules and Regulations.

Landlord shall have the right from time to time to prescribe reasonable rules and regulations (the "Rules and Regulations") for Tenant's use of the Premises and the Building. A copy of Landlord's current Rules and Regulations respecting the Premises and the Building is attached hereto as <a href="Exhibit">Exhibit "B"</a>. Tenant shall abide by and actively enforce on all of Tenant's Invitees such regulations including without limitation rules governing parking of vehicles in designated areas and during designated times. Landlord and Tenant mutually agree that if the Rules and Regulations or modifications and additions thereto conflict with the other terms and conditions of this Lease the other terms and conditions shall control and govern.

# (b) Evidence of Authority.

If requested by Landlord, Tenant shall furnish appropriate legal documentation evidencing the valid existence and good standing of Tenant and the authority of any parties signing this Lease to act for Tenant.

# (c) Nature and Extent of Agreement.

This Lease, together with all exhibits hereto, contains the complete agreement of the parties concerning the subject matter, and there are no oral or written understandings, representations, or agreements pertaining thereto which have not been incorporated herein. This Lease creates only the relationship of landlord and tenant between the parties, and nothing herein shall impose upon either party any powers, obligations or restrictions not expressed herein. This Lease shall be construed and governed by the laws of the state in which the Premises are located.

#### (d) Binding Effect.

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns. This Lease shall not be binding on Landlord until executed by an authorized signatory of Landlord and delivered to Tenant. No amendment or modification to this Lease shall be binding upon Landlord or Tenant unless same is in writing and executed by an authorized signatory of Landlord or Tenant.

# (e) Captions and Headings.

The captions and headings in this Lease are for convenience and reference only, and they shall in no way be held to explain, modify, or construe the meaning of the terms of this Lease.

# (f) Lease Review.

The submission of this Lease to Tenant for review does not constitute a reservation of or option for the Premises, and this Lease shall become effective as a contract only upon execution and delivery by Landlord and Tenant.

# (g) Prevailing Party.

If either Landlord or Tenant places in the hands of an attorney the enforcement of this Lease or any portion thereof, for the collection of any rent due or to become due hereunder, or recovery of the possession of the Premises, or file suit upon same, the non-prevailing (or defaulting) party shall pay the other party reasonable attorney's fees and court costs.

### (h) Security Deposit.

Tenant has paid to Landlord upon signing this Lease the Security Deposit as described in Section 1(1) as security for Tenant's performance of all obligations hereunder. The Security Deposit may be held by Landlord in such manner as it shall elect and Landlord shall be entitled to any interest which accrues on the Security Deposit. In the event of a default by Tenant, Landlord may, at its option, require Tenant to double the amount of the Security Deposit and to fund such increase within ten (10) days of Landlord's notice to Tenant to increase the Security Deposit. Further, in the event of a default by Tenant, Landlord may, at its option, apply all or any part of the Security Deposit to cure the default, and thereupon Tenant shall immediately redeposit with Landlord the amount so applied in order that Landlord will always have the full Security Deposit on hand during the term of this Lease. Upon the termination of this Lease, provided that Tenant is not in default hereunder, Landlord shall refund to Tenant any of the remaining balance of the Security Deposit subject to final adjustments for payment of any rental required by this Lease. If the Building is sold, Landlord shall transfer the Security Deposit to the new owner, and upon the new owner's express assumption of the obligations for the Security Deposit required by this Lease, Landlord shall thereupon be released from all liability for such Security Deposit, and Tenant thereafter shall look only to the new owner for such Security Deposit. The terms hereof shall apply to every transfer of the Security Deposit.

# (i) Right to Relocate.

Notwithstanding anything in this Lease to the contrary, Landlord reserves the right at any time upon thirty (30) days advance written notice (the "Relocation Notice") to relocate Tenant to space substantially equivalent to the Premises (with comparable improvements) in either the Building or other building located in the Business Park (the "Relocation Space"). The size and configuration of the Relocation Space shall be determined by Landlord in its reasonable discretion. The Minimum Rental, Additional Rental, Tenant's Proportionate Share, and any other charges based on the square footage of the Premises shall be increased or decreased to reflect the size of the Relocation Space; provided, however, in no event shall the square footage of the Relocation Space exceed 110% of the square footage of the Premises. Tenant's failure to surrender possession of the Premises and relocate to the Relocation Space in accordance with the terms and conditions of the Relocation Notice shall constitute an immediate and material default under this Lease entitling Landlord, in addition to any other remedies provided herein, to re-enter

the Premises and remove all persons and property therefrom in accordance with applicable law. Landlord shall promptly reimburse Tenant for all of Tenant's reasonable, third-party, out of pocket costs pertaining to Tenant's relocation to the Relocation Space in an amount not to exceed Two Thousand Five Hundred and No/100 Dollars (\$2,500.00).

# (j) Representations and Warranties.

The person or persons executing this Lease on behalf of Tenant represent, covenant and warrant to Landlord as of the date Tenant executes and delivers this Lease that: (a) Tenant is duly constituted, in good standing and qualified to do business in the State of North Carolina, (b) Tenant has paid all corporate taxes (if applicable), (c) Tenant will file when due all forms, reports, fees and other documents necessary to comply with applicable laws, and (d) the signatories signing on behalf of Tenant have the requisite authority to bind Tenant pursuant to Tenant's organizational documents (i.e. partnership agreement, operating agreement or bylaws) or a certified copy of a resolution from Tenant authorizing same.

# (k) Building Access.

There shall be open access to the Building during Standard Hours of Operation (as herein defined). At all other times, access to the Building may be restricted, at Landlord's election, by use of a card or key access system at an entrance to the Building. In the event Landlord elects to install such an access system, Landlord shall, within sixty (60) days following the Commencement Date, furnish Tenant, at no cost to Tenant, up to four (4) access cards or keys per 1,000 rentable square feet occupied by Tenant (as of the Commencement Date) as requested by Tenant for entering the Building. For purposes hereof, any such access cards, keys or other comparable access devices are collectively referred to as "access cards." Thereafter, additional access cards and replacement access cards (for lost access cards) shall be made available to Tenant at a charge equal to \$15.00 per card (subject to reasonable adjustment by Landlord from time to time) upon Landlord's receipt of an order signed by Tenant. Tenant shall promptly provide Landlord with written notice of any lost or stolen access cards for the Building. Landlord shall replace all defective or worn access cards without charge. All cards shall remain the property of Landlord. No additional locks shall be allowed on any exterior door of the Premises without Landlord's written permission with such permission not to be unreasonably withheld or delayed and locks on any interior door shall be permitted only to the extent such locks are permissible under applicable laws and relevant insurance requirements. termination of this Lease, Tenant shall surrender to Landlord all access cards and keys related to the Premises, and give to Landlord the combination of all locks for safes, safe cabinets and vault doors, if any, to remain in the Premises and in the event Tenant fails to return all such access cards to Landlord at the end of the Term, Tenant shall pay Landlord \$15.00 for each such access card not returned to Landlord.

# (i) Principal Life Approval.

This Lease may be subject to approval by the Principal Life Insurance Company Investment Committee and the Board of Directors of Petula Associates, Ltd. In the event such approval is required and Landlord is unable to obtain such approval within ten (10) days after the date of this Lease, either party may elect to terminate this Lease upon written notice to the other

and the parties hereto shall have no further rights or obligations hereunder. Landlord shall use good faith efforts to promptly obtain approval of this Lease by the Principal Life Insurance Company Investment Committee and the Board of Directors of Petula Associates, Ltd. and shall promptly notify Tenant of any refusal by either of the above stated parties to approve the Lease.

# (m) Financial Disclosures.

Tenant shall at any time upon receipt of a written request from Landlord (such request to be made no more than twice in any Lease Year), provide true, complete and accurate financial information and documentation about itself and any Guarantor to Landlord, within ten (10) days after such request. The individuals executing this Lease on Tenant's behalf hereby represent and warrant to Landlord that the financial statements and other information submitted to Landlord by Tenant prior to the execution hereof are true, complete and accurate, were prepared in accordance with generally accepted cash accounting principles applied on a consistent basis, and accurately reflect Tenant's net worth as of the date hereof. Landlord covenants and agrees to keep such records confidential; provided, however, Landlord may share the information contained within such records with its legal counsel, accountants and employees, prospective purchasers and lenders, and as may otherwise be required by applicable law.

# (n) OFAC Compliance.

- Tenant represents and warrants that (a) Tenant and each person or entity owning an interest in Tenant is (i) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and/or on any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation (collectively, the "List"), and (ii) not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (b) none of the funds or other assets of Tenant constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person (as hereinafter defined), (c) no Embargoed Person has any interest of any nature whatsoever in Tenant (whether directly or indirectly), (d) none of the funds of Tenant have been derived from any unlawful activity with the result that the investment in Tenant is prohibited by law or that the Lease is in violation of law, and (e) Tenant has implemented procedures, and will consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times. The term "Embargoed Person" means any person, entity or government subject to trade restrictions under U.S. law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder with the result that the investment in Tenant is prohibited by law or Tenant is in violation of law.
- (2) Tenant covenants and agrees (a) to comply with all requirements of law relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect, (b) to immediately notify Landlord in writing if any of the representations, warranties or covenants set forth in this paragraph or the preceding paragraph are no longer true or have been breached or if Tenant has a reasonable basis to believe that they may no longer be true or have

been breached, (c) not to use funds from any "Prohibited Person" (as such term is defined in the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) to make any payment due to Landlord under the Lease and (d) at the request of Landlord, to provide such information as may be requested by Landlord to determine Tenant's compliance with the terms hereof.

(3) Tenant hereby acknowledges and agrees that Tenant's inclusion on the List at any time during the Lease Term shall be a material default of the Lease. Notwithstanding anything herein to the contrary, Tenant shall not permit the Premises or any portion thereof to be used or occupied by any person or entity on the List or by any Embargoed Person (on a permanent, temporary or transient basis), and any such use or occupancy of the Premises by any such person or entity shall be a material default of the Lease.

In connection with this Lease or any proposed Assignment of this Lease or sublease, Tenant shall provide to Landlord the names of the persons holding an ownership interest in Tenant or any proposed assignee or sublessee, as applicable, for purposes of compliance with Presidential Executive Order 13224 (issued September 24, 2001), as amended.

#### 35. <u>SEVERABILITY</u>.

If any term or provision 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 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 enforced to the fullest extent permitted by law notwithstanding the invalidity of any other term or provision hereof.

#### 36. REVIEW OF DOCUMENTS.

If, following the execution of this Lease, either party hereto requests that the other party execute any document or instrument that is other than (i) a document or instrument the form of which is attached hereto as an exhibit, or (ii) a document that solely sets forth facts or circumstances that are then existing and reasonably ascertainable by the requested party with respect to the Lease, then the party making such request shall be responsible for paying the out-of-pocket costs and expenses, including without limitation, the attorneys' fees, incurred by the requested party in connection with the review (and, if applicable, the negotiations) related to such document(s) or instrument(s), regardless of whether such document(s) or instrument(s) is (are) ever executed by the requested party. In the event the requesting party is Tenant, all such costs and expenses incurred by Landlord in connection with its review and negotiation of any such document(s) or instrument(s) shall be deemed to be Additional Rental due hereunder and shall be payable by Tenant promptly upon demand.

# 37. <u>TERMINATION OPTION</u>.

Notwithstanding anything contained herein to the contrary, provided Tenant is not in default under this Lease, Tenant shall have the one time right to terminate this Lease effective as of the thirty-sixth (36<sup>th</sup>) month anniversary of the Rent Commencement Date (the "Termination Date"), by providing Landlord with written notice at least nine (9) months prior to the

Termination Date, and paying to Landlord concurrently with Tenant's notice of its election to terminate this Lease, a termination fee in the amount Forty-Five Thousand Three Hundred Sixty-Four and No/100 Dollars (\$45,364.00). Notwithstanding the payment of said termination fee, Tenant shall continue to be liable for all other obligations under this Lease which accrue prior to the Termination Date. In the event the Tenant elects to terminate this Lease, all rent payable hereunder shall be paid through, and apportioned as of, the Termination Date, and neither Landlord nor Tenant shall have any rights, liabilities or obligations accruing under this Lease after the Termination Date, except for such rights and liabilities which, by the terms of this Lease, are to survive the expiration or earlier termination of this Lease. Time is of the Essence with respect to Tenant's termination rights hereunder.

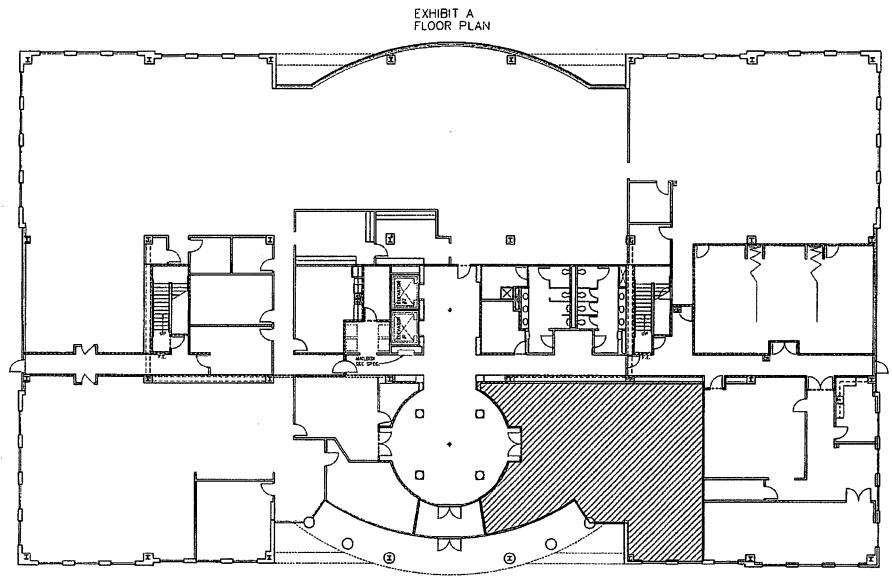
IN WITNESS WHEREOF, the parties have caused this Lease to be duly executed and sealed pursuant to authority duly given as of the day and year first above written.

# "LANDLORD"

BRIGHTON HALL IC, LLC, a Delaware limited liability company

By: PRINCIPAL REAL ESTATE INVESTORS, LLC, a Delaware limited liability company, its authorized agent

	By: Name: Plehard J. Jacquing Title: Sanlor Accot Manager II  DEC 0 5 2005  By:
	Name:Title:
	"TENANT"
	ON-SITE SOURCING, INC., a Virginia corporation
ATTEST:	By: Melle Mulion F. Thuchtan Title: CFO
S	Secretary



BRIGHTON HALL FIRST FLOOR 1101 SLATER ROAD DURHAM, N.C.

#### **EXHIBIT "B"**

#### **RULES AND REGULATIONS**

The following rules and regulations have been adopted by the Landlord for the care, protection and benefit of the Building and for the general comfort and welfare of the tenants:

- 1. The sidewalks, entrances, halls, passages, elevators and stairways shall not be obstructed by the Tenant or used by Tenant for any other purpose than for ingress and egress.
- 2. Toilet rooms and other water apparatus shall not be used for any purpose other than those for which they are constructed.
- 3. Tenant shall not do anything in the Premises, or bring or keep anything therein, which shall in any way conflict with any law, ordinance, rule or regulation affecting the occupancy and use of the Premises, which are or may hereafter be enacted or promulgated by any public authority or by the Board of Fire Underwriters.
- 4. In order to insure proper use and care of the Premises, neither Tenant nor agent nor employee of Tenant shall:
- (a) Allow any furniture, packages or articles of any kind to remain in corridors except for short periods incidental to moving same in or out of Building or to cleaning or rearranging occupancy of leased space.
  - (b) Maintain or utilize bicycles or other vehicles in the Building.
- (c) Mark or defile elevators, toilet rooms, walls, windows, doors or any part of the Building.
  - (d) Keep animals or birds on the Premises.
- (e) Deposit waste paper, dirt or other substances in corridors, stairways, elevators, toilets, restrooms, or any other part of the Building not leased to him.
- (f) Fasten any article, drill holes, drive nails or screws into walls, floors, doors, or partitions or otherwise mar or deface any of them by paint, papers or otherwise, unless written consent is first obtained from the Landlord.
- (g) Operate any machinery within the Building except customary office equipment, such as dictaphones, calculators, copiers, scanning equipment, computers, servers, electric typewriters, and the like. Special equipment or machinery used in the trade or profession of Tenant may be operated only with the prior written consent of the Landlord.
- (h) Tamper or interfere in any way with windows, doors, locks, air conditioning controls, heating, lighting, electric or plumbing fixtures.

- (i) Leave the Premises unoccupied without locking all doors, extinguishing lights and turning off all water outlets therein.
- (j) Install or operate vending machines of any kind in the Premises without written consent of Landlord.
- 5. Landlord shall have the right to prohibit any advertising by Tenant which, in its opinion, tends to damage the reputation of the Building or its desirability, and upon written notice from Landlord, Tenant shall discontinue any such advertising.
- 6. Landlord reserves the right to reasonably designate the time when and method whereby freight, furniture, safes, goods, merchandise and other articles may be brought into, moved or taken from the Building and the Premises leased by Tenant; and workmen employed, designated or approved by the Landlord must be employed by Tenant for repairs, painting, material moving and other similar work that may be done on the Premises.
- 7. Tenant will reimburse the Landlord for the cost of repairing any damage to the Premises or other parts of the Building caused by the Tenant or the agents or employees of the Tenant, including replacing any glass broken.
- 8. Landlord shall furnish a reasonable number of door keys for the needs of Tenant, which shall be surrendered on expiration of the Lease, and reserves the right to require a deposit to insure their return at expiration of Lease. Tenant shall obtain keys only from the Landlord, shall not obtain duplicate keys from any outside source, and shall not alter the locks or effect any substitution.
- 9. Tenant shall not install in the Premises any metal safes or permit any concentration of excessive weight in any portion thereof without first having obtained the written permission of Landlord.
- 10. Landlord reserves the right at all times to exclude newsboys, loiterers, vendors, solicitors and peddlers, from the Building and to require registration, satisfactory identification and credentials from all persons seeking access to any part of the Building outside of the Standard Hours of Operation. Landlord will exercise its best judgment in the execution of such control but shall not be held liable for the granting or refusal of such access. Landlord reserves the right to exclude the general public from the Building after ordinary business hours and on weekends and Holidays.
- 11. The attaching of wires to the outside of the Building is absolutely prohibited, and no wires shall be run or installed in any part of the Building without the Landlord's permission and direction.
- 12. Requests for services of janitors or other Building employees must be made to Landlord. Agents or employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from Landlord.
- 13. Signs or any other tenant identification shall be in accordance with building standard signage. No signs of any nature shall be placed in the windows so as to be visible from

the exterior of the Building. All signs not approved in writing by the Landlord shall be subject to removal without notice.

- 14. Any improvements or alterations to the Premises by Tenant shall be approved in advance by the Landlord and all such work, if approved, shall be done at the Tenant's sole expense under the supervision of the Landlord.
- 15. Tenant shall have a non-exclusive right to use all driveways and parking areas designated for Tenant and Tenant's employees, if deemed necessary by Landlord. Landlord shall have the right (but not the obligation) to tow, at the owner's expense, any vehicles parked overnight in the Business Park if in Landlord's sole judgment such vehicle (i) is deemed to be a threat to the personal safety of the occupants of the Business Park, (ii) unreasonably interferes with the traffic or parking patterns within the Business Park, or (iii) is otherwise inconsistent with the image and reputation of the Business Park as a first class development.
- 16. If additional drapes or window decorations are desired by Tenant, they shall be approved by Landlord and installed at the Tenant's expense under the direction of the Landlord. Lining on drapes visible from the exterior shall be of a color approved by Landlord.
- 17. The possession of weapons, including concealed handguns, is strictly forbidden on the Premises.
  - 18. No smoking shall be permitted within any portion of the Building.
- 19. Landlord shall have the right to make such other and further reasonable rules and regulations as, in the judgment of the Landlord, may from time to time be necessary for the safety, care and cleanliness of the Premises, the Building or adjacent areas, and for the preservation of good order therein effective five (5) days after all tenants have been given written notice thereof.

# EXHIBIT "C"

#### LANDLORD'S WORK

#### A. SERVICE CORE

- 1. Stairways as required by Code, painted
- 2. Electrical, telephone, janitor rooms on each floor
- 3. Core walls, perimeter walls, and columns all clad with dry wall, taped, and sanded
- 4. Men's and ladies' washrooms on each floor, per Code finished with the Building Standard finishes
- 5. Water and drainage
  - a. Access at the core to domestic water, drainage, and vent systems
  - b. Drinking fountains, chilled water installed
  - c. Water heating system for hot water installed

#### 6. Core doors

- a. Doors for stairwells, electrical, mechanical, janitor, telephone, toilet rooms, etc., all installed
- b. Doors complete with frame, trim, hardware, locking devices, and closers

#### B. EXTERIOR WALLS

- 1. Curtain walls installed and sealed
- 2. Exterior windows installed and sealed
- 3. Drywall to be taped, sanded, and ready to receive tenant finish, if not previously finished
- 4. Columns and exposed service core walls to be clad with drywall, taped, and sanded

#### C. HVAC

- 1. HVAC systems to service cores on floors of Premises
- 2. Lobby diffusers provided and installed

# D. LIGHTING

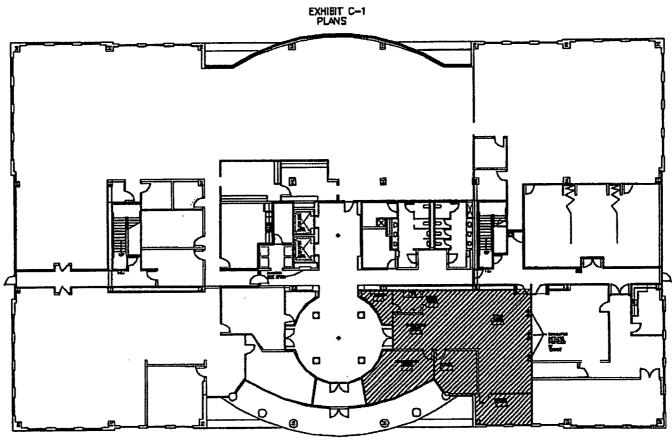
Installed and operating in main lobby, all stairwells, elevator, lobbies, mechanical rooms, utility rooms, wash rooms, other lighting as required by Code

# E. LIFE SAFETY

As required by Code

# F. COMMUNICATION SYSTEM

Access to main telephone service on the first floor



BRIGHTON HALL FIRST FLOOR 1101 SLATER ROAD OURHAM, N.C.

#### **EXHIBIT "D"**

#### **OPTION TO RENEW**

- 1. Notice and Exercise. Provided no default is continuing under this Lease and Tenant has not assigned this lease nor sublet all or any portion of the Premises, Tenant is hereby granted the option to extend the Term once for an additional period of three (3) years (the "Extension Term") commencing upon the expiration of the initial Term on the same terms and conditions as contained in the other provisions of this Lease other than any upfitting allowance (Tenant accepting the Premises in its "as, is" condition), additional renewal options and as otherwise provided in this Section. This option shall be exercised only by delivery of written notice (the "Renewal Notice") to Landlord no later than nine (9) months prior to the scheduled Expiration Date referred to in Section 1(f) of this Lease. The Minimum Rental for the Premises shall be the greater of (a) the Minimum Rental during the last Lease Year of the initial Lease Term, or (b) the then fair market rental ("Market Rate") applicable to the Premises. Except as otherwise set forth herein, Tenant's occupancy of the Premises during the Extension Term shall be subject to all other terms and conditions of this Lease, expressly including without limitation, the obligation to pay the Tenant Contribution.
- Determination of Market Rate. For purposes of this Exhibit "D", the term "Market Rate" shall mean the annual amount per rentable square foot that comparable landlords of comparable class A office buildings in the Raleigh/Durham area have accepted in then-current transactions between non-affiliated parties of comparable credit-worthiness, for comparable space, for a comparable use, for a comparable period of time ("Comparable Transactions"). In any determination of Comparable Transactions appropriate consideration shall be given to the annual rental rates per rentable square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause implemented, the extent of tenant's liability under the lease, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, parking considerations, length of the lease term, size and location of premises being leased, building standard work letter and/or tenant improvement allowances, if any, or any other tenant concessions and other generally applicable conditions of tenancy for such Comparable Transactions. The intent is that Tenant will obtain the same rent and other economic benefits that Landlord would otherwise give in Comparable Transactions and that Landlord will make, and receive the same economic payments and concessions that Landlord would otherwise make, and receive in Comparable Transactions.

Landlord shall determine the Market Rate by using its good faith judgment. Landlord shall provide written notice of such amount within thirty (30) days (but in no event later than forty-five (45) days) after Tenant provides the notice to Landlord exercising Tenant's option rights which require a calculation of the Market Rate. Tenant shall have thirty (30) days ("Tenant's Review Period") after receipt of Landlord's notice of the new rental within which to accept such rental or to reject such rental in writing. In the event Tenant rejects such rental, Landlord and Tenant shall attempt to agree upon such Market Rate using their best good faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following

Tenant's Review Period ("Outside Agreement Date"), then each party shall place in a separate sealed envelope its final proposal as to Market Rate and such determination shall be submitted to arbitration in accordance with subsections (a) through (e) below. Failure of Tenant to so accept in writing such rental within Tenant's Review Period shall conclusively be deemed its disapproval of the Market Rate determined by Landlord.

- Landlord and Tenant shall meet with each other within five (5) business days of the Outside Agreement Date and exchange the sealed envelopes and then open such envelopes in each other's presence. If Landlord and Tenant do not mutually agree upon the Market Rate within one (1) business day of the exchange and opening of envelopes, then, within ten (10) business days of the exchange and opening of envelopes Landlord and Tenant shall agree upon and jointly appoint a single arbitrator who shall by profession be a real estate appraiser, lawyer or broker who shall have been active over the five (5) year period ending on the date of such appointment in the leasing of comparable commercial properties in the vicinity of the Building. Neither Landlord nor Tenant shall consult with such broker or lawyer as to his or her opinion as to Market Rate prior to the appointment. The determination of the arbitrator shall be limited solely to the issue of whether Landlord's or Tenant's submitted Market Rate for the Premises is the closer to the actual Market Rate for the Premises as determined by the arbitrator, taking into account the requirements of this Section 2. Such arbitrator may hold such hearings and require such briefs as the arbitrator, in his or her sole discretion, determines is necessary. In addition, Landlord or Tenant may submit to the arbitrator with a copy to the other party within five (5) business days after the appointment of the arbitrator any market data and additional information that such party deems relevant to the determination of Market Rate ("MR Data") and the other party may submit a reply in writing within five (5) business days after receipt of such MR Data.
- (b) The arbitrator shall, within thirty (30) days of his or her appointment, reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Market Rate, and shall notify Landlord and Tenant of such determination.
  - (c) The decision of the arbitrator shall be binding upon Landlord and Tenant.
- (d) If Landlord and Tenant fail to agree upon and appoint an arbitrator, then the appointment of the arbitrator shall be made by the Presiding Judge of the Superior Court, or, if he or she refuses to act, by any judge having jurisdiction over the parties.
  - (e) The cost of arbitration shall be paid by Landlord and Tenant equally.

Immediately after the base rent for the applicable Extension Term is determined pursuant to this Exhibit D, Landlord and Tenant shall execute an amendment to the Lease stating the new Minimum Rental in effect.

# TRI PROPERTIES

March 22, 2006

Mr. Robert Chuey On-Site Sourcing, Inc. 832 North Henry Street Alexandria, VA 22314

RE:

Commencement Letter with respect to that certain Lease dated as of December 5, 2005, by and between Brighton Hall IC, LLC, as Landlord, and On-Site Sourcing, Inc. as Tenant, for 2,192 rentable square feet in the Building located at 1101 Slater Road, Durham, North Carolina.

#### Dear Bob:

In accordance with the terms and conditions of the above referenced Lease, Tenant accepts possession of the Premises and agrees:

- 1. The Commencement Date of the Lease is February 8, 2006.
- 2. The Rental Commencement Date of the Lease is June 8, 2006.
- 3. The Monthly Payment prorated for June 2006 is \$2,562.81.
- 4. The Monthly Payment effective July 1, 2006 is \$3,342,80.
- 5. The Termination Date of the Lease is June 30, 2011.

Rent checks are due on or before the first day of each month. Please make checks payable to PFG Imperial Center Holding Company, LLC-410022 and forward to Petula Associates – Property 410022, Lockbox Number 118026113, PO Box 6113, Hicksville, NY 11802-6113.

We still have not received your security deposit in the amount of \$6,685.60 and you are required to submit a certificate of insurance naming the Landlord and Tri Properties as additional insured.

Please acknowledge your acceptance of possession and agreement to the terms set forth above by signing all 3 counterparts of this Commencement Letter in space provided and returning 2 fully executed counterparts to my attention.

Sincerely,

Michelle Wilson, CPM®

Michall Wyson

**Property Manager** 





# K&L GATES

K&L Gates LLP 4350 Lassiter at North Hills Avenue, Suite 300 Post Office Box 17047 Raleigh, NC 27619-7047

т 919.743.7300

www.klgates.com

June 15, 2009

Margaret R. Westbrook D 919.743.7311 F 919.516.2011 margaret.westbrook@klgates.com

On-Site Sourcing, Inc., et al Attn: BMC Group Claims Processing 18750 Lake Drive East Chanhassen, MN 55317

Re: On-Site Sourcing, Inc., et al; Case No. 09-10816

To Whom It May Concern:

I have enclosed the original and one (1) copy of a Proof of Claim in the above referenced matter. In order to verify your receipt of this claim, please return the stamped copy to me in the enclosed, self-addressed, postage paid envelope.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Margaret R. Westbrook

**Enclosures**