

## MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

OFFICIAL RECORD COPY

Licensee		3. License Number 29-30342-01
1. Metorex Inc.		
2. Princeton Crossroads Corporate Center 250 Phillips Boulevard Ewing, New Jersey 08618		4. Expiration Date October 31, 2005
		5. Docket or Reference No. 030-34246/37-28461-01
6. Byproduct, Source, and/or Special Nuclear Material	7. Chemical and/or Physical Form	8. Maximum Amount that Licensee May Possess at Any One Time Under This License
A. Iron 55	A. Sealed sources (Models Amersham IEC.D1, IEC.D2, and IEC.A1; DuPont NER-462; and Isotope Products XFB)	A. Not to exceed 200 millicuries per source and 50 curies total
B. Cadmium 109	B. Sealed sources (Models DuPont NER-465; Amersham CUC.D1N and CUC.D1; and Isotope Products XFB)	B. Not to exceed 20 millicuries per source and 5 curies total
C. Americium 241	C. Sealed sources (Models Amersham AMC.A1, AMCL and AMC.D2; DuPont NER-478C; and Isotope Products XFB and GFS)	C. Not to exceed 500 millicuries per source and 25 curies total
D. Curium 244	D. Sealed sources (Models Amersham CLCL and CLC.A1; and Isotope Products XFB)	D. Not to exceed 200 millicuries per source and 25 curies total
E. Any byproduct material atomic numbers 1 through 83	E. Any sealed, plated, or foil sources	E. Not to exceed 50 millicuries per source and 500 millicuries total

## 9. Authorized use

## A. through D. For use and/or possession incident to:

- 1) Research and development as defined in 10 CFR 30.4.
- 2) Manufacturing and testing of analyzer devices.
- 3) Installation into or removal from analyzer devices.
- 4) Repair and servicing of Metorex Inc. and Outokumpu Electronics devices.
- 5) Calibration of instruments.

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SUPPLEMENTARY SHEET

License Number

29-30342-01

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(Condition 9. continued)

- 6) Receipt, storage, and transfer of Princeton Gamma Tech, Metorex Inc. and Outokumpu Electronics, devices from customers for disposal.
- 7) Demonstrations of Metorex Inc. and Outokumpu Electronics devices.
- 8) Distribution in Princeton Gamma Tech, Metorex Inc. and Outokumpu Electronic devices to persons authorized to receive licensed material pursuant to the terms and conditions of specific licenses issued by the U.S. Nuclear Regulatory Agency or any Agreement State.
- 9) Instruction and training in the use of Metorex Inc. and Outokumpu Electronic devices.

E. Calibration of instruments.

## CONDITIONS

10. Licensed material may be used only at the licensee's facilities located at Princeton Crossroads Corporate Center, 250 Phillips Boulevard, Ewing, New Jersey; 860 Town Center Drive, Langhorne, Pennsylvania; and at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.
11. A. Licensed material shall be used by, or under the supervision of, individuals who have received the training described in letter dated March 6, 1990 and have been designated in writing by the Radiation Safety Officer.  
B. The Radiation Safety Officer for this license is Stanislaw Piorek, Ph.D..
12. Sealed sources or detector cells containing licensed material shall not be opened or sources removed from source holders by the licensee.
13. The licensee shall not acquire licensed material in a sealed source or device unless the source or device has been registered with the U.S. Nuclear Regulatory Commission pursuant to 10 CFR 32.210 or equivalent regulations of an Agreement State.
14. The licensee shall conduct a physical inventory every six months to account for all sealed sources and devices containing licensed material received and possessed under the license.
15. A. Sealed sources and detector cells containing licensed material shall be tested for leakage and/or contamination at intervals not to exceed six months or at such other intervals as are specified by the certificate of registration referred to in 10 CFR 32.210, not to exceed three years.  
B. Notwithstanding Paragraph A of this Condition, sealed sources designed to emit alpha particles shall be tested for leakage and/or contamination at intervals not to exceed three months.

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(Condition 15. continued)

- C. In the absence of a certificate from a transferor indicating that a leak test has been made within six months prior to the transfer, a sealed source or detector cell received from another person shall not be put into use until tested.
  - D. Each sealed source fabricated by the licensee shall be inspected and tested for construction defects, leakage, and contamination prior to any use or transfer as a sealed source.
  - E. Sealed sources and detector cells need not be leak tested if:
    - (i) they contain only hydrogen-3; or
    - (ii) they contain only a radioactive gas; or
    - (iii) the half-life of the isotope is 30 days or less; or
    - (iv) they contain not more than 100 microcuries of beta and/or gamma emitting material or not more than 10 microcuries of alpha emitting material; or
    - (v) they are not designed to emit alpha particles, are in storage, and are not being used. However, when they are removed from storage for use or transfer to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source or detector cell shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.
  - F. The test shall be capable of detecting the presence of 0.005 microcurie of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission and the source or detector cell shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within five days of the date the leak test result is known with the U.S. Nuclear Regulatory Commission, Region I, ATTN: Chief, Nuclear Materials Safety Branch, 475 Allendale Road, King of Prussia, Pennsylvania 19406. The report shall specify the source or detector cell involved, the test results, and corrective action taken.
  - G. The licensee is authorized to collect leak test samples for analysis by the licensee. Alternatively, tests for leakage and/or contamination may be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.
16. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

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17. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.

- A. Application dated December 7, 1989
- B. Letter dated March 6, 1990
- C. Letter dated November 12, 1993
- D. Letter dated April 20, 1994
- E. Letter dated March 28, 1995
- F. Letter dated September 17, 1996



Date OCT 30 1996

For the U.S. Nuclear Regulatory Commission

Original Signed By:

By John R. McGrath

Division of Nuclear Materials Safety  
Region I  
King of Prussia, Pennsylvania 19406

OCT 30 1996

License No. 29-30342-01  
Docket No. 030-34246  
Control No. 123704

Joseph P. Loftus, President  
Metorex Inc.  
P.O. Box 3540  
Princeton, New Jersey 08543-3540

Dear Mr. Loftus:

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region I Office, Licensing Assistance Team, (610) 337-5093 or 5239, so that we can provide appropriate corrections and answers.

Please note that License Condition 10 references both the Ewing, New Jersey and Langhorne, Pennsylvania facilities. Once you have transferred the licensed material to the Ewing, New Jersey facility, please submit a completed NRC Form 314 (enclosed). Please verify that all radioactive material and "Caution Radioactive Materials" signs and labels have been removed from the Langhorne, Pennsylvania facility. In this correspondence, refer to Mail Control No. 123704. We will then remove the Pennsylvania facility from License Condition 10.

Please be advised that your license expires at the end of the day, in the month, and year stated in the license. Until your license is terminated, you must conduct your program involving byproduct materials in accordance with the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate in accordance with NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers; Inspections," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.
2. Not possess and use materials authorized in Items 6, 7, and 8, on the license until:
  - a. you have constructed the facilities and obtained the equipment described in the license application and supporting documentation; and

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- b. you have notified the U.S. Nuclear Regulatory Commission, Region I, ATTN: Chief, Nuclear Materials Safety Branch, 475 Allendale Road, King of Prussia, Pennsylvania 19406 in writing, that activities authorized by the license will be initiated.
- 3. Notify NRC, in writing, within 30 days:
  - a. when an authorized user or Radiation Safety Officer, permanently discontinues performance of duties under the license or has a name change; or
  - b. when the mailing address on the license changes (no fee is required if the location of byproduct material remains the same).
- 4. In accordance with 10 CFR 30.36(b) and/or license condition, notify NRC, promptly, in writing, and request termination of the license:
  - a. when you decide to terminate all activities involving materials authorized under the license; or
  - b. if you decide not to complete the facility, acquire equipment, or possess and use authorized material.
- 5. Request and obtain a license amendment before you:
  - a. permit anyone to work as an authorized user under the license;
  - b. change Radiation Safety Officer;
  - c. order byproduct material in excess of the amount, or radionuclide, or form different than authorized on the license;
  - d. add or change the areas of use, or address or addresses of use identified in the license application or on the license; or
  - e. change ownership of your organization.

J. P. Loftus  
Metorex Inc.

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6. Submit a complete renewal application with proper fee or termination request at least 30 days before the expiration date of your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of byproduct material after your license expires is a violation of NRC regulations. A license will not normally be renewed, except on a case-by-case basis, in instances where licensed material has never been possessed or used.

In addition, please note that NRC Form 313 requires the applicant, by his/her signature, to verify that the applicant understands that all statements contained in the application are true and correct to the best of the applicant's knowledge. The signatory for the application should be the licensee or a certifying official of the licensee rather than the Radiation Safety Officer or a consultant.


You will be periodically inspected by the NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG 1600.

Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

Thank you for your cooperation.

Sincerely,

Original Signed By:  
John R. McGrath

 Francis M. Costello, Chief  
Nuclear Materials Safety Branch 3  
Division of Nuclear Materials Safety

License No. 29-30342-01  
Docket No. 030-34246  
Control No. 123704

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J. P. Loftus  
Metorex Inc.

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Enclosures:

1. License No. 29-30342-01
2. 10 CFR Parts 2, 19, 20, 30, 32, and 170
3. NRC Forms 3, 313, and 314

DOCUMENT NAME: R:\WPS\MLTR\L2930342.01

To receive a copy of this document, indicate in the box: "C" = Copy w/o attach/encl "E" = Copy w/ attach/encl "N" = No copy

OFFICE	DNMS/RI	<input checked="" type="checkbox"/> N	DNMS/RI	<input checked="" type="checkbox"/> E			
NAME	Dolce\kd1		Costello				
DATE	10/23/96		10/25/96		10/ /96		10/ /96

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METOREX

FACSIMILE LEAD SHEET

030-34246/030-34247

TO: Ms. Kathy Dolce  
FROM: Joseph P. Loftus  
LOCATION: METOREX INC., LANGHORNE, PA, USA  
TELEPHONE # 215-741-4482 TELEFAX # 215-741-6385  
DATE: 22 October 1996

NO. OF PAGES(INCLUDING THIS PAGE): 1

=====

SUBJECT: Issuance of License to our new facility in New Jersey

Dear Kathy,

As we discussed this morning over the telephone, I formally request that when issued, the new license issued for our New Jersey office be mailed to the following address:

Metorex Inc., PO BOX 3540, Princeton, NJ 08543-3540

The actual street address of our new facility will be 250 Phillips Boulevard, Ewing, New Jersey 08618; however, the contractor preparing our facilities for occupancy does not estimate completion prior to early December, 1996. As I wish to avoid any correspondence from your office be delivered to that address prior to Metorex's occupying the offices, I request you mail it to our post office box.

If you have any questions regarding this subject and/or you need additional information, please do not hesitate to contact me. Thank you in advance for your assistance with this matter.

Sincerely

*Joe Loftus*  
Joseph P. Loftus  
President

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IF THIS TRANSMISSION IS NOT COMPLETE OR CLEAR,  
PLEASE CALL 215-741-4482

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17 September 1996

Administrator  
United States Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, PA 19406

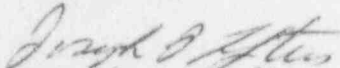
Regarding: Relocation of our offices from Pennsylvania to  
New Jersey  
Metorex Inc. License Nos.: 37-28461-01, 37-28461-02G

Dear Sir:

I am writing you to inform your office that Metorex Inc. will be relocating its offices and; therefore, I request that you arrange for our current licenses to move with us to our new facility. The details of our relocation are that on or about December 1, 1996, Metorex Inc. will be occupying offices at Princeton Crossroads Corporate Center, 250 Phillips Boulevard, Ewing, New Jersey 08618 (phone: 1-609-406-9000); the company will be vacating our current offices at 860 Town Center Drive, Langhorne, PA 19047 (phone: 1-215-741-4482). For your reference, a copy of our new office lease (which extends to the year 2006) is attached complete with the layout of the new offices. I have highlighted in "yellow" that office where the isotopes will be stored. This office is secured and unoccupied; the safe in which the isotopes are stored will be placed against the wall adjacent to the warehouse.

Should you have any questions regarding this request and/or required additional information, please do not hesitate to contact me.

Sincerely

  
Joseph P. Loftus  
President

cc: S. Piorek, Metorex

attachments

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123704

SEP 18 1996

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LEASE

Between

TRAFALGAR HOUSE PROPERTY, INC.,

Landlord

and

METOREX INC.

Tenant

Dated: as of August 26, 1996

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PRINCETON CROSSROADS CORPORATE CENTER  
250 Phillips Boulevard  
Ewing Township, Mercer County  
New Jersey

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LEASE made as of August \_\_, 1996 between TRAFALGAR HOUSE PROPERTY, INC., a Delaware corporation having an office at 375 Phillips Boulevard, Trenton, N.J. 08618, together with its successors and assigns ("Landlord") and METOREX INC., a [Delaware] corporation with offices at [960] Town Center Drive, Langhorne, PA 19047 together with its successors and assigns ("Tenant").

WITNESSETH:

WHEREAS, Landlord is the owner of that certain real property located in Princeton Crossroads Corporate Center, Ewing Township, Mercer County, NJ, which real property is described in Schedule "A" hereto (the "Land") and the building and improvements situated thereon commonly known by the street address 250 Phillips Boulevard, West Trenton, NJ 08628 (the "Building"); and

WHEREAS, Tenant desires to lease from Landlord, and Landlord is willing to lease to Tenant certain premises in the Building upon all of the terms and conditions of this Lease;

NOW THEREFORE, in consideration of the rents and agreements set forth herein, and intending to be legally bound hereby, Landlord and Tenant agree as follows:

ARTICLE 1. Reference Data.

1.1. Any reference in this Lease to the following terms shall incorporate therein the data defining such term as set forth in this Section:

PREMISES:	Approximately sixteen thousand seven hundred sixty-one (16,761) rentable square feet in the Building. A floor plan of the Premises is appended as Exhibit "A" hereto.																																										
TENANT'S PERCENTAGE:	Forty-one and two-tenths percent (41.2%).																																										
LEASE TERM:	The initial term (the "Term") of this Lease shall be ten (10) years, commencing at 12:00 a.m. on the Commencement Date and expiring at 11:59 p.m. on the Expiration Date. (All years of the Term (each a "Lease Year") shall begin at 12:00 a.m. on each anniversary of the Commencement Date and end at 11:59 p.m. on the date immediately preceding the next succeeding anniversary of the Commencement Date.) The Term may be extended by Tenant in accordance with the provisions of Article 4 of this Lease.																																										
COMMENCEMENT DATE:	The earlier to occur of: (a) December 1, 1996 or such later date, if applicable, on which Landlord's Work has been substantially completed and a certificate of occupancy for the Premises has been issued; or (b) the date when Tenant first occupies all or any portion of the Premises for the conduct of its business.																																										
EXPIRATION DATE:	The day preceding the tenth anniversary of the Commencement Date; and, if the First Renewal Option is exercised in accordance with its terms, the Expiration Date shall be the fifteenth anniversary of the Commencement Date for the Term; and, if the Second Renewal Option is exercised in accordance with its terms, the Expiration Date shall be the twentieth anniversary of the Commencement Date for the Term.																																										
FIXED RENT:	<table><tr><th>Lease Year</th><th>Annual Fixed Rent</th><th>Monthly Fixed Rent</th><th>Fixed Rent/RSF Per Annum</th></tr><tr><td>1</td><td>\$159,229.50</td><td>\$13,269.13</td><td>\$9.50</td></tr><tr><td>2</td><td>\$159,229.50</td><td>\$13,269.13</td><td>\$9.50</td></tr><tr><td>3</td><td>\$159,229.50</td><td>\$13,269.13</td><td>\$9.50</td></tr><tr><td>4</td><td>\$159,229.50</td><td>\$13,269.13</td><td>\$9.50</td></tr><tr><td>5</td><td>\$159,229.50</td><td>\$13,269.13</td><td>\$9.50</td></tr><tr><td>6</td><td>\$175,152.45</td><td>\$14,596.04</td><td>\$10.45</td></tr><tr><td>7</td><td>\$175,152.45</td><td>\$14,596.04</td><td>\$10.45</td></tr><tr><td>8</td><td>\$175,152.45</td><td>\$14,596.04</td><td>\$10.45</td></tr><tr><td>9</td><td>\$175,152.45</td><td>\$14,596.04</td><td>\$10.45</td></tr></table>			Lease Year	Annual Fixed Rent	Monthly Fixed Rent	Fixed Rent/RSF Per Annum	1	\$159,229.50	\$13,269.13	\$9.50	2	\$159,229.50	\$13,269.13	\$9.50	3	\$159,229.50	\$13,269.13	\$9.50	4	\$159,229.50	\$13,269.13	\$9.50	5	\$159,229.50	\$13,269.13	\$9.50	6	\$175,152.45	\$14,596.04	\$10.45	7	\$175,152.45	\$14,596.04	\$10.45	8	\$175,152.45	\$14,596.04	\$10.45	9	\$175,152.45	\$14,596.04	\$10.45
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10      \$175,152.45    \$14,596.04    \$10.45

Fixed Rent may be increased in accordance with the provisions of Sections 3.6 - 3.7. Fixed Rent payable with respect to the Renewal Terms shall be determined in accordance with Article 4 of this Lease.

PERMITTED USES:

General, executive and administrative offices and use of the Premises as a laboratory and ancillary warehouse uses to the extent permitted under the Declaration and under applicable Legal Requirements.

Tenant shall not, so long as that certain restriction between Mercer Ferry Realty Corporation (Landlord's predecessor in interest) and Educational Testing Service dated October 1, 1985 and recorded on October 4, 1985 in Vol. 2310 page 652 of the Records of the Mercer County Clerk's Office (the "ETS Restriction") shall remain in effect, use or permit the use of the Premises for the coaching or preparation of individuals to take standardized training, aptitude, or intelligence tests (except for minor uses incidental to other primary business uses of Tenant).

TENANT SIC NO:

3826, 3829

BROKER:

Fennelly Associates, Inc. and Commercial Property Network, Inc.

SECURITY:

Security consisting of both: (a) a cash deposit in an amount equal to one-sixth of the annual Fixed Rent for the last Lease Year of the Term plus an amount equal to one-sixth of the increase in the annual Fixed Rent pursuant to Section 3.7; and (b) \$147,000.00 Letter of Credit to be held pursuant to Article 34.

ELECTRICITY:

Direct

1.2. Each reference in this Lease to any of the terms set forth in Section 1.1 shall be construed to incorporate the reference data included therein. Other terms are defined in Exhibits "B-1" and "B-2" hereto.

ARTICLE 2.      Demise Term: "As Is"

2.1. Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord for the Term, the Premises described in Section 1.1, together with the non-exclusive right to use the sidewalks, driveways, parking areas and other areas appurtenant to the Building, as well as the Common Elements and Common Facilities of the Business Center, in common with Landlord and other tenants of the Business Center, subject however, to the Permitted Encumbrances set forth in Schedule "B" hereto. The term of this Lease (the "Term") and the Commencement Date are each set forth in Section 1.1.

2.2. Landlord shall prepare the Premises for Tenant's occupancy in accordance with the Work Agreement attached hereto as Exhibit "D".

ARTICLE 3.      Fixed Rent: Fixed Rent Increase: Additional Rent

3.1. Tenant shall pay all annual fixed rent ("Fixed Rent") in the amounts specified in Section 1.1 and all Additional Rent (as hereinafter defined) due under this Lease from and after the Commencement Date. All monthly installments of Fixed Rent shall be payable in advance on the first day of each and every calendar month throughout the Term of the Lease. Any Fixed Rent or Additional Rent payable for one or more full calendar months in a partial Operating Year at the beginning or end of the Lease Term shall be equitably prorated.

3.2. Fixed Rent and Additional Rent shall be payable at the offices of the Managing Agent, or at such other place as Landlord may designate by notice to Tenant, in lawful money of the United States, by unendorsed check drawn to Landlord's order on a United States bank or financial institution having an office in the State or in the State of New York, the State of New Jersey or a bank or financial institution having a net worth of not less than One Hundred Million Dollars (\$100,000,000) having an office in the State of Pennsylvania.

3.3. Tenant agrees to pay as additional rent ("Additional Rent") all Tax Payments, Expense and Assessment Payments, and all other costs and expenses (including all Fees-And-Costs) other than Fixed Rent, which Tenant has assumed or agreed to pay to Landlord pursuant to this Lease. Unless otherwise

expressly provided, Tenant shall pay all Additional Rent to Landlord fifteen (15) days after notice to Tenant. Landlord shall have the same rights and remedies to terminate this Lease and/or to recover possession of the Premises for Tenant's failure to pay Additional Rent as for Tenant's failure to pay Fixed Rent.

3.4. Except as otherwise expressly provided to the contrary herein, Tenant shall pay all Fixed Rent and Additional Rent promptly when due and payable, without notice or demand, and without offset, deduction, credit, abatement, or counterclaim of any kind or for any reason whatsoever. If Tenant fails to pay any installment of Fixed Rent or any amount of Additional Rent for more than five (5) business days after the same is due, Tenant shall pay interest thereon at the Interest Rate from the date due through the date of payment, together with the sum of \$100.00 as a charge incident to the handling of a delinquent account.

3.5. If Tenant fails to make any payment whatsoever required by this Lease (other than Fixed Rent or Additional Rent), or if Tenant fails to keep or perform any other term of this Lease after the expiration of any applicable notice and cure period(s), or if this Lease provides in any case that Landlord may take certain actions at Tenant's expense, Landlord may, on fifteen (15) days' written notice to Tenant (except in the event of an emergency in which case no notice will be required), make any such payment and/or take such action as Landlord deems reasonably necessary or desirable to perform and fulfill such term, covenant, condition or provision. Tenant agrees to reimburse Landlord, within fifteen (15) days after notice by Landlord, for all amounts reasonably paid or incurred by Landlord (including all Fees-And-Costs, if any), together with interest on each such amount at the Interest Rate from the date such payment shall be made or such amounts shall be paid or incurred by Landlord.

3.6. In this Lease, "the cost of Landlord's Work" shall mean all costs reasonably paid or incurred by, on behalf of, or on account of Landlord or Landlord's Affiliates in connection with the performance of Landlord's Work, including for purposes of illustration only, the cost of all labor, materials, equipment, supplies, services, taxes, transportation, communication, insurance, permits, utilities, cartage, consulting, accounting, legal, rental charges and all other costs, fees and disbursements reasonably implied by the inclusion of any or all of the foregoing.

3.7. If the total cost of Landlord's Work shall exceed the sum of \$335,220 (i.e., \$20/RSF) Landlord shall certify to Tenant, within thirty (30) days after the date that Landlord's Work has been completed, the total cost of Landlord's Work. Not later than fifteen (15) days after Landlord's certification of the total cost of Landlord's Work to Tenant, Landlord and Tenant shall enter into a modification of this Lease pursuant to which Tenant shall unconditionally agree to pay Landlord the cost of Landlord's Work in excess of \$335,220 by means of a permanent increase in the Fixed Rent which shall be sufficient to fully amortize said sum, together with interest thereon at the rate of ten percent (10%) per annum, compounded monthly, in equal monthly installments over the initial ten (10) year Term of the Lease. To illustrate the foregoing, assume that the total cost of Landlord's Work is certified by Landlord to be \$395,220. Tenant shall be required to pay Landlord \$60,000 (representing the excess of the cost of Landlord's Work above \$335,220) amortized over the initial ten (10) year Term together with interest thereon, as aforesaid, in 120 equal monthly installments by adding \$792.90 to the monthly Fixed Rent due for each of the ten (10) years of the Term.

#### ARTICLE 4. Renewal Option.

4.1. Tenant shall have, and is hereby granted, the option to renew the Term for a period of five (5) years commencing upon the tenth (10th) anniversary of the Commencement Date and expiring upon the date immediately preceding the fifteenth (15th) anniversary of the Commencement Date (the "First Renewal Term"); and for a further period of five (5) years commencing upon the fifteenth (15th) anniversary of the Commencement Date and expiring upon the date immediately preceding the twentieth (20th) anniversary of the Commencement Date (the "Second Renewal Term") (each such additional five (5) year term is hereinafter referred to as a "Renewal Term") provided that, with respect to each Renewal Term:

(a) Tenant gives written notice to Landlord of its election to lease the Premises for the corresponding Renewal Term no later than nine (9) months prior to the expiration of the then-current Term; and

(b) no Default has occurred during the Term, as renewed pursuant hereto, which then remains uncured or which is not then being diligently cured.

4.2. All terms and conditions of this Lease including, without limitation, all provisions governing the payment of Additional Rent, shall remain in full force and effect during each Renewal Term, except that:

(a) the annual Fixed Rent payable during the Renewal Term shall be increased to the fair market Fixed Rent (the "Fair Market Fixed Rent") for the applicable Renewal Term, as determined pursuant to this Article;

(b) there shall be no abatement of Fixed or Additional Rent for any portion of a Renewal Term; and

(c) Landlord shall have no obligation to prepare the Premises for Tenant's occupancy or provide any allowance or credit with respect thereto.

4.3. Within sixty (60) days of Tenant's exercise of its option to extend the Term for the First Renewal Term or the Second Renewal Term, as applicable, Landlord and Tenant shall meet to negotiate in good faith and determine the amount of the Fair Market Fixed Rent for the First Renewal Term or the Second Renewal Term, as applicable. In the event that Landlord and Tenant are unable to agree upon the Fair Market Fixed Rent for the applicable Renewal Term by a date which shall be thirty (30) days prior to the commencement of said First Renewal Term or the Second Renewal Term, as applicable, then either party may submit such dispute to arbitration in accordance with the provisions of this Article 4, and the arbitrators shall determine the annual Fair Market Fixed Rent for the Premises for the First Renewal Term or the Second Renewal Term, as applicable; provided, however, that in no event shall the annual Fair Market Fixed Rent per square foot of the Premises payable during any Renewal Term determined pursuant to this Article 4 be less than the Fixed Rent per square foot of Premises payable by Tenant with respect to the Premises during the then-current Term.

4.4. If upon the commencement of the First Renewal Term or the Second Renewal Term, as applicable, the Fair Market Fixed Rent to be paid by Tenant during said Renewal Term shall not have been determined (by arbitration or by agreement of Landlord and Tenant), Tenant shall, effective as of the commencement of the First Renewal Term or the Second Renewal Term, as applicable, pay as Fixed Rent one hundred and twenty-five percent (125%) of the Fixed Rent for the Premises during the immediately preceding period. Upon the determination of the appropriate Fair Market Fixed Rent (x) Tenant shall promptly pay to Landlord any underpayment of Fixed Rent by Tenant since the beginning of said Renewal Term, or (y) Landlord shall promptly pay to Tenant any overpayment of Fixed Rent by Tenant since the beginning of the Renewal Term, in each case with interest hereon at the Prime Rate, calculated from the beginning of the Renewal Term.

4.5. If the determination of the annual Fair Market Fixed Rent for the Premises during the First Renewal Term or the Second Renewal Term, as applicable, is submitted by a party to arbitration (in this Section 4.5, the "first party"), such first party shall give the other party (in this Section 4.5, the "second party") notice to such effect and shall, in such notice, appoint a person as arbitrator on its behalf. Within ten (10) days after such notice is given by the first party, the second party shall appoint a second person as arbitrator on its behalf. The two arbitrators thus appointed shall appoint a third arbitrator within fifteen (15) days from the selection of the second arbitrator, and such three arbitrators shall meet as promptly as possible to determine such matter, provided, however, that:

(a) if the second arbitrator shall not have been appointed as aforesaid, the first arbitrator shall proceed to determine such matters; and

(b) if the two arbitrators appointed by the parties shall be unable to agree, within fifteen (15) days after the appointment of the second arbitrator upon the appointment of a third arbitrator, they shall give written notice to the parties of such failure to agree, and, if the parties fail to agree upon the selection of such third arbitrator within ten (10) days after the arbitrators appointed by the parties give notice as aforesaid, then within five (5) days thereafter either of the parties upon notice to the other party, may request the appointment of such third arbitrator by the American Arbitration Association (or any organization successor thereto), or in the absence, refusal, failure, or inability to act of such organization, may apply for a court appointment of such arbitrator.

4.6. Each arbitrator shall be a licensed real estate broker or appraiser who shall have had at least ten (10) years' experience in the leasing, management or appraisal of commercial real estate in Mercer County, and in addition, the third arbitrator shall be impartial.

4.7. The arbitration shall be conducted, to the extent consistent with this Article, in accordance with the then prevailing commercial arbitration rules of the American Arbitration Association (or any organization successor thereto). The decision and award shall be rendered by the arbitrators, upon the concurrence of at least two (2) of their number, within sixty (60) days after the appointment of the third arbitrator. The decision by the arbitrators shall be in writing and shall be conclusive and binding on both Landlord and Tenant. In rendering such decision and award the arbitrators shall not add to, delete from, or otherwise modify the provisions of this Article 4 or any provisions of the Lease. Judgment may be had on the decision and award of the arbitrator(s) so rendered in any court of competent jurisdiction.

4.8. Each party shall pay the fees and expenses of the arbitrator appointed by or for such party. The fees and expenses of the third arbitrator and all other expenses of the arbitration (other than the fees, charges and disbursements of attorneys or witnesses for each party) shall be borne by the parties equally.

4.9. The arbitrators shall assume or take into consideration the following, as the case may be:

(a) "fair market rents" then being charged for comparable premises in Princeton Crossroads Business Center and/or in other similar office buildings in the same area with comparable tenant improvements and not reflecting exorbitant upgrades and/or work letter allowances;

(b) the Premises will be leased in their "as is" condition;

(c) the Premises will be leased for a five (5) year term; and

(d) the Premises will be leased subject to all other terms and conditions of this Lease (except to the extent any such terms and conditions are expressly inapplicable to a Renewal Term pursuant to the terms of this Lease).

It shall also be assumed by the arbitrator(s) in the making of their determination that: a reasonable time under then-existing market conditions is allowed for exposure of the Premises on the open market and Landlord had a reasonable time to locate a tenant who rents with a knowledge of the uses to which the Premises can be adapted; neither Landlord nor the prospective tenant is under any compulsion to rent; the Premises will be used for the uses set forth in Article 1.1 hereof; the Premises are free and clear of all leases and tenancies; and the leasing is being made as an arms' length transaction and both the Landlord and the prospective tenant are well-informed and well-advised and each is acting in its own best interest.

4.10. Upon the determination of the Fixed Rent for the Premises for the Renewal Term, Tenant upon the demand of Landlord shall enter into supplementary written agreement setting forth such Fixed Rent and the extension of the Term for the First Renewal Term or the Second Renewal Term, as applicable.

#### ARTICLE 5. Tax Payment.

5.1. Tenant shall pay Landlord, as Additional Rent for each Tax Year (or portion thereof) occurring during the Term an amount (the "Tax Payment") equal to Tenant's Percentage of all Taxes for such Tax Year. The Tax Payment shall be payable in four (4) equal quarterly installments on the thirtieth (30th) day before each such installment is due.

5.2. Landlord shall furnish Tenant with a written statement of the Tax Payment due with respect to each Tax Year (each such statement, a "Tax Statement"), together with a copy of the applicable tax bills, or equivalent documentation. If Landlord issues a Tax Statement after the beginning of the applicable Tax Year, then until such Tax Statement is rendered, Tenant shall pay the Tax Payment for such Tax Year in four (4) equal quarterly installments based upon the most recent Tax Statement rendered to Tenant; and within thirty (30) days after receiving a new Tax Statement, Tenant shall receive a credit against subsequent payments under this Article 5 in an amount equal to any overpayment for such Tax Year. If the Taxes for any Tax Year change or are abated by the taxing authorities, whether during or after such Tax Year, Landlord shall give Tenant a revised Tax Statement for such Tax Year; and Tenant's Tax Payment for such Tax Year shall be adjusted, credited, as appropriate, in accordance with this Section, or promptly refunded to Tenant with respect to any abatement. Landlord's delay in rendering a Tax Statement with respect to any Tax Year shall not prejudice Landlord's right thereafter to render a Tax Statement with respect to that (or any later) Tax Year. The rights and obligations of Landlord and Tenant under this Article shall survive expiration of the Term or other termination of this Lease.

5.3. If at any time, Taxes are required to be paid in annual, semi-annual, or other installments, or on any date or dates other than as presently required, whether such Taxes are required to be paid to any Government Entity or to be paid to a lender or ground lessor in escrow pursuant to a mortgage or ground lease of the Property then, at Landlord's option, the Tax Payments shall be correspondingly rescheduled so that Tenant's Tax Payments are due not earlier than thirty (30) days before such payments are due (except that with respect to any escrow of Taxes required under any mortgage or ground lease, payments into such escrow shall not be required to be made more often than quarterly). A Tax Payment covering any fiscal period which includes a period before the Commencement Date or after the Expiration Date shall be apportioned between Landlord and Tenant on a per diem basis. Subject to Landlord's rights to defer the payment of all or a portion of Taxes due in connection with tax reduction proceedings or similar proceedings, Landlord covenants to pay all Taxes on or before the date the same become delinquent and to provide Tenant with evidence of payment within fifteen (15) days after Tenant's written request therefor.

5.4. "Taxes" shall be calculated giving effect to any discount actually received by Landlord for, or on account of, the Landlord's early payment of Taxes.

5.5. Tenant shall not object to or litigate the assessment or imposition of Taxes unless Tenant first obtains Landlord's written approval and complies with all terms and conditions established by Landlord.

#### ARTICLE 6. Expense and Assessment Payments.

6.1. Tenant shall pay Landlord, as Additional Rent for each Operating Year (or any portion thereof) an amount equal to Tenant's Percentage of all Expenses for each Operating Year plus an additional amount, equal to Tenant's Percentage of all Assessments for each Operating Year in accordance with the provisions of this Article (such amounts shall be collectively referred to in this Lease as the "Expense and Assessment Payment").

6.2. Landlord shall give Tenant a written statement for each Operating Year no later than ninety (90) days after the commencement of such Operating Year, setting forth Landlord's reasonable estimate of Tenant's Expense and Assessment Payment for such Operating Year ("Landlord's Estimate"). Tenant shall pay Landlord an amount equal to one-twelfth (1/12) of Landlord's Estimate on the first day of each and every month during the Operating Year. If Landlord delivers Landlord's Estimate after an Operating Year begins then, until the first day of the month after the month in which Tenant receives Landlord's Estimate, Tenant shall pay Landlord an amount equal to the monthly sums payable by Tenant under this Section for the last month of the preceding Operating Year; and on the first day of the month following the month in which Tenant receives Landlord's Estimate (and monthly thereafter for the balance of such Operating Year) Tenant shall pay Landlord an amount equal to one-twelfth (1/12) of Landlord's Estimate. If Tenant's previous payments for the Operating Year were more or less than the amounts which Tenant should have paid pursuant to Landlord's Estimate, Tenant shall pay any underpayment within thirty (30) days after receiving Landlord's Estimate or Landlord shall credit any overpayment against subsequent payments under this Article 6.

6.3. Landlord shall endeavor to provide Tenant, on or about the date which is six (6) months subsequent to the end of each Operating Year, with a reasonably detailed written statement (the "Expense and Assessment Statement") prepared by the Managing Agent setting forth the Expenses and Assessments for the preceding Operating Year and the balance of the Expense and Assessment Payment, if any, due from Tenant for such Operating Year. If Tenant's payments under Section 6.2 were greater than the Expense and Assessment Payment for such Operating Year, Landlord shall pay Tenant the excess within thirty (30) days after delivery of the Expense and Assessment Statement. If Tenant's prior payments were less than the Expense and Assessment Payment for such Operating Year, Tenant shall pay Landlord the deficiency within thirty (30) days after receipt of the Expense and Assessment Statement. Any payment, credit or refund under this Section shall include interest thereon at the Interest Rate from the date of such overpayment or underpayment, as applicable. Landlord's delay in rendering an Expense and Assessment Statement with respect to any Operating Year shall not prejudice Landlord's right thereafter to render an Expense and Assessment Statement with respect to that (or any other) Operating Year. The rights and obligations of Landlord and Tenant under this Article shall survive expiration of the Term or other termination of this Lease.

6.4. If the Commencement Date is other than the first day of an Operating Year, or if the Expiration Date is a day other than the last day of an Operating Year, the Expense and Assessment Payment for such partial year shall be adjusted on a per diem basis to reflect the number of days in the Operating Year actually within the Term.

6.5. Each Expense and Assessment Statement shall be conclusive and binding upon Tenant unless within ninety (90) days after receipt thereof Tenant notifies Landlord that Tenant disputes the correctness of such Expense and Assessment Statement, specifying the particular respects in which the same Expense and Assessment Statement is allegedly incorrect. Pending the determination of any such dispute, Tenant shall make all payments in accordance with the disputed statement without prejudice to Tenant's position.

6.6. Landlord agrees to keep detailed records accurately documenting Expenses and Assessments. Tenant shall have the right of access to Landlord's books and records relating to Expenses and Assessments for the most recent Operating Year on reasonable notice, and Tenant may photocopy or cause same to be photocopied at Tenant's sole cost and expense. Further, Tenant may cause such books and records to be audited (but not more frequently than yearly), at Tenant's sole cost and expense unless such audit shall demonstrate that Expenses and Assessments have been overstated by more than five percent (5%), in which event the cost of such audit (only to the extent the cost of such audit is reasonable) shall be borne by Landlord and any overpayment previously made by Tenant shall be promptly reimbursed by Landlord with interest thereon at the Interest Rate from the date of such overpayment.

## ARTICLE 7. Electricity.

7.1. Tenant shall obtain and pay for Tenant's separate supply of electric current and gas energy by direct application to, and arrangement with, the public utility companies servicing the Property. Notwithstanding the foregoing, Landlord shall have the option to furnish electric current and gas energy to the Premises (including the supply of electric current and gas energy to the Premises (including the supply of electric current and gas energy required to operate the HVAC Units servicing the Premises) on a check-metering basis. If Landlord elects to furnish electric current and/or gas energy to the Premises on a check-metering basis, then Landlord may install one or more check-meters at its expense and Tenant shall pay, within fifteen (15) days after delivery by Landlord of statements therefor, all charges for such electric current and/or gas energy used or consumed in the Premises by Tenant and registered by such meter(s), provided that Tenant shall not be charged

more than the rate ~~that~~ would be charged for the same services if furnished directly to the Premises by such public utility.

7.2. The electrical conduit, feeders and wiring serving the Premises (exclusive of any special Tenant requirements) shall allow for an electrical demand load of six (6) watts per rentable square foot for lighting and power (exclusive of electricity consumed by the HVAC Units servicing the Premises). Tenant's use of electric current in the Premises shall not exceed the capacity of any electrical conductors and equipment in or otherwise serving the Premises. Tenant shall not, without the prior consent of Landlord, make or perform or permit any alteration to wiring installations or other electrical facilities or to any other facilities for the supply of electric current located in or serving the Premises. If Landlord grants such consent, all additional conduit, feeders and wiring and other equipment or other facilities required therefor shall be provided and/or installed by Landlord and the reasonable cost thereof shall be paid by Tenant as Additional Rent within fifteen (15) days after demand therefor.

7.3. Landlord shall not be liable to Tenant for any reduction in service, failure, or defect in the supply or character of electric current furnished to the Premises where such reduction in service, failure, or defect is required by Legal Requirements or results from any requirement, act or omission of the public utility supplying electricity to the Property, or for any other reason whatsoever other than as a result of the negligence or wrongful acts or omissions of Landlord, Landlord's Affiliates or Property Employees.

#### ARTICLE 8. Use and Occupancy.

8.1. The Premises may only be used for the uses described in Section 1.1 and for no other use, unless the Landlord shall consent thereto, which consent shall not be unreasonably withheld or delayed. Landlord represents that the Premises may be used for the uses permitted under Section 1.1.

8.2. Tenant shall not create a public or private nuisance or cause any waste of the Premises, or permit rubbish or trash to accumulate in the Premises; use or permit the use of the Premises for any hazardous purpose or for any uses prohibited by the Declaration or in violation of any certificate of occupancy for the Building or, subject to the provisions of the sentence next following, do anything (or permit anything to be done) which would result in a change of Tenant's primary SIC classification or number to a classification or number falling within the following classifications or numbers: 22-39 (both inclusive), 46-49 (both inclusive), 51 or 76; and/or impair or interfere with any services furnished to other tenants of the Property, or the maintenance of the Property or the Business Center. Notwithstanding the foregoing Landlord agrees that Tenant's present SIC classification, as described in Section 1.1 is not objectionable, subject to Tenant's compliance with all other provisions of this Lease.

#### ARTICLE 9. Compliance with Legal Requirements; Environmental Compliance.

9.1. Prior to the Commencement Date, if Tenant is then in possession of the Premises, and at all times during the Term, Tenant, at Tenant's sole cost and expense, shall promptly comply with all present and future Legal Requirements and all other orders, rules and regulations of any Government Entity which shall impose any violation, order or duty upon Landlord or Tenant with respect to the Premises or with respect to the use or manner of use of the Premises, whether or not any such Legal Requirement shall necessitate alterations or improvements or interfere with the use or enjoyment of the Premises; provided, however, that Tenant shall not be required to make structural alterations or improvements to the Premises in order to comply with Legal Requirements, all of which shall be the responsibility of Landlord, unless the necessity therefor arises as a result of Tenant's manner of use of the Premises, or as a result of Tenant's failure to comply with any obligation of Tenant under this Lease. Tenant shall also procure, pay for and maintain all permits, approvals, licenses and other authorizations needed for the conduct of Tenant's business in the Premises and shall provide true and complete copies thereof upon demand by Landlord. Without limiting the foregoing, Tenant shall make or cause to be made all Alterations (including, without limiting the generality of the requirement in this sentence, removing such barriers and providing such alternative services), as shall be required by the Americans with Disabilities Act of 1990 and such rules and regulations as shall be from time to time promulgated thereunder (the "ADA").

9.2. Tenant shall not, without prior written consent of Landlord, cause or permit any Hazardous Substances for testing and analysis to be brought or remain upon, kept, used, discharged, leaked or emitted in or about the Premises or the Building; except that Tenant may bring upon and keep in the Premises radioactive materials permitted under Tenant's License Number 37-28461-02G and sample quantities of Hazardous Substances in connection with the laboratory uses permitted by Section 1.1, provided that such radioactive materials and sample quantities of Hazardous Substances are handled and stored in strict accordance with all applicable Legal Requirements and provided further that Landlord observes the best laboratory practices in respect thereto. Without limiting the foregoing, Tenant shall, at Tenant's own expense, comply with the Industrial Site Recovery Act, 1993 N.J. Laws 139 ("ISRA") and the regulations promulgated thereunder, with respect to Tenant's obligations under this Lease, which may now or hereafter arise; and Tenant shall further comply with all applicable requirements of, the Bureau of Industrial Site Evaluation (the "Bureau") of the New

Jersey Department of Environmental Protection and Energy ("NJDEPE"). Should the Bureau or any other division or agency of NJDEPE determine that a cleanup plan be prepared and that a cleanup be undertaken because of any spills or discharges of hazardous substances or wastes at the Premises which occur during the Term of this Lease and which are caused by Tenant or Tenant's Affiliates, then Tenant shall prepare and submit the required plans and financial assurances, and carry out the approved plans at Tenant's expense. Tenant shall promptly provide all information reasonably available and within Tenant's control requested by Landlord for preparation of non-applicability affidavits and shall promptly sign such affidavits when requested by Landlord. Tenant's obligations and liabilities under this Section shall survive the Term without limitation. Tenant's failure to abide by the terms of this Section shall be restrainable by injunction. Tenant hereby agrees that only "sanitary sewage" (as defined in N.J.S.A. 7:14A-1.9) shall be discharged into the sewer or septic system and that no "industrial pollutants" (as defined in the Clean Water Act of 1977 and any amendments thereto) shall be discharged into such system.

9.3. Notwithstanding anything to the contrary herein, Tenant shall not be responsible for any damages, losses, liabilities, obligations, penalties, claims, litigations, demands, defenses, judgments, suits, proceedings, costs, or expenses with respect to the presence, generation, storage, maintenance, use, discharge, release, spillage or disposal of any Hazardous Substances on, in, under or affecting all or any portion of the Premises or any surrounding areas (i) at any time, to the extent resulting from the acts or omissions of Landlord or Landlord's Affiliates, Property Employees or other tenants of the Property; and/or (ii) which occurred or were present on the Premises prior to the Commencement Date.

#### ARTICLE 10. Alterations and Installations.

10.1. Tenant shall not commence any Alteration without Landlord's prior written consent.

10.2. Landlord will not unreasonably withhold nor delay its consent to an Alteration except, however, to any Alteration which: in Landlord's reasonable opinion will alter or adversely affect any portion of the structure, facade, roof, or foundation of the Building or adversely affect the building systems; will detract from the use or character of the Property; will require amendment of any certificate of occupancy for the Property; or in Landlord's reasonable opinion will adversely interfere with the use or occupancy of any other tenant of the Property. Landlord may reasonably impose, as a condition to the granting of its consent to any Alteration, with respect to which Landlord may withhold its consent under this Section 10.2, that Tenant remove such Alteration at the end of the Term and Restore the Premises to its condition immediately prior to the making of such Alteration, as required pursuant to Section 11.2. Landlord may elect by notice to Tenant delivered at any time prior to the Expiration Date, to waive Tenant's obligation to remove such Alteration and Restore the Premises, as aforesaid and to require that such Alteration remain a part of the Premises demised hereunder.

10.3. Tenant shall cause all plans and specifications for a proposed Alteration to be prepared at Tenant's expense (by a licensed architect or engineer if required as a condition to the procuring of any permit or other approval required by applicable Legal Requirements and otherwise by a competent designer or draftsman) and shall submit the same to Landlord for Landlord's written approval and, if required under the Declaration for the approval of the Development Committee; provided, however, that Landlord's or said Committee's approval (if given) shall not imply that the Alteration is properly designed or complies with Legal Requirements.

10.4. With respect to every Alteration: Tenant shall procure or cause to be procured all permits, approvals, consents, licenses required by applicable Legal Requirements; Tenant shall undertake and complete all work in connection with the Alteration expeditiously and in a good and workmanlike manner; each Alteration when completed will conform to the plans and specifications approved by Landlord; Tenant shall provide to Landlord "as built" plans showing any Alterations as actually constructed by Tenant; Tenant shall employ only contractors approved by Landlord in writing (which approval shall not be unreasonably withheld) and any contractor employed by Tenant (and all subcontractors) shall agree to use only such labor as will not result in, or threaten to result in, jurisdictional disputes, work stoppages, picketing, boycotts or strikes or which shall cause labor strife with other workers employed at the Property or at the Business Center; Tenant shall carry (and will cause its contractors and sub-contractors to carry) all Alterations Insurance coverages described in Schedule B hereto; Tenant shall reimburse Landlord for the reasonable cost of review by architects and/or engineers, field inspection, coordination, and other reasonable out-of-pocket costs of Landlord with respect to such Alteration.

10.5. No Lien for any labor, materials, or other services or things furnished to Tenant shall attach to Landlord's estate or interest in the Property and no consent by Landlord to any Alteration shall be construed as a consent on the part of the Landlord to subject the Premises or the Property to any liability or obligation under the Mechanic's Lien Law of the State of New Jersey. Tenant agrees to discharge (or bond over and release of record), at Tenant's expense every Lien filed against the Premises and/or the Property for work claimed to have been done for or materials claimed to have been furnished to Tenant, within thirty (30) days after written notice from Landlord.

10.6. Notwithstanding anything to the contrary contained herein Tenant shall not be required to obtain Landlord's consent, to submit plans and specifications or to obtain Landlord's approval of plans

and specifications for (x) the making or installation of any Decorations or (y) the addition or relocation of convenience electrical outlets, or telephone or computer jacks. Tenant shall, however, provide Landlord with written notice of its making of any Alterations of the character described in this Section 10.6.

ARTICLE 11. Fixtures and Equipment: Tenant's Property.

11.1. All furniture, fixtures, equipment, installations, alterations, improvements, substitutions, betterments, additions and appurtenances attached to or built into the Premises on the Commencement Date or at any time during the Term (except for movable furniture and movable equipment placed in the Premises by Tenant) and all Alterations made and installed upon or in the Premises by Landlord either at Landlord's expense or with respect to which Landlord has granted Tenant a credit or allowance (including, without limitation, all Landlord's Work and any Tenant's Work with respect to which a credit or allowance has been granted by Landlord) shall be Landlord's property and shall remain upon the Premises (and be surrendered by Tenant) at the end of the Term.

11.2. All Alterations made and installed upon or in the Premises (whether by Landlord or Tenant) which are "fixtures" or which are of a permanent nature and which cannot be removed without material damage to the Property shall become Landlord's property and shall remain upon (and be surrendered) with the Premises at the end of the Term or upon any earlier cancellation or termination of this Lease. Notwithstanding anything to the contrary contained herein, Tenant shall not be required to remove any Alterations or other improvements installed in the Premises by Tenant other than any Alterations which Landlord, at the time the plans and specifications therefore were submitted to Landlord for approval pursuant to Section 10.2 hereof, advised Tenant that it would require Tenant to remove at the end of the Term.

11.3. All furniture, furnishings and trade fixtures furnished or installed by Tenant or at Tenant's expense (including, without limitation, all raised flooring, all business machines and equipment, freestanding counters, screens, freestanding partitions, freestanding cabinets, all freestanding lighting fixtures and equipment and freestanding drinking fountains) and any other movable property of Tenant shall be and remain property of Tenant (all of such property, "Tenant's Property") which Tenant must remove on or before the Expiration Date. If any Alterations or other property which Tenant may or must remove under this Article are not removed on or before the Expiration Date, Landlord may at any time thereafter upon five (5) days' notice to Tenant remove and dispose of the same at Tenant's expense.

11.4. Tenant shall provide Landlord, upon request, with photocopies of all bills, invoices, and records relating to Alterations costing more than five thousand dollars (\$5,000) in each instance within a reasonable time after the completion of such Alterations. Upon request, Tenant shall also provide Landlord with all manuals and other instructional materials pertaining to any equipment or machinery installed by Tenant in the Premises.

ARTICLE 12. Maintenance and Repairs.

12.1. Landlord shall keep and maintain in good order, condition and repair the roof and roof membrane, the exterior and load bearing walls (excluding the interior of all walls, doors and door frames), window glass, the foundation, and the building systems, and the exterior areas of the Property, including any storm drainage and any telephone, utility and sewer lines serving both the Premises and other portions of the Building in good order, condition and repair. In addition, Landlord shall be obligated, at its expense, to make any of the repairs which, under the provisions of Section 12.2, are Tenant's obligation to make and perform if and when the necessity for such repairs results from the acts or omissions of Landlord, Landlord's Affiliates or Property Employees.

12.2. Tenant shall be responsible for the maintenance and repair of the interior of the Premises and responsible for the keeping of the interior of Premises, and all non-load bearing partitions, interior doors, doorframes, window and windowframes, fixtures, equipment, electrical, plumbing and mechanical systems and all telephone, utility and sewer lines serving Tenant exclusively, which are installed by, or at the direction of, Tenant in the Premises or the Property, as applicable in good order, condition and repair, and clean, orderly, sanitary and safe, unless such maintenance or repairs result from the acts or omissions of Landlord or Landlord's Affiliates or the Property Employees, in which case such maintenance or repairs shall be the responsibility of Landlord.

12.3. If Tenant fails to maintain or make any repairs required to be made by Tenant under this Article 12 after fifteen (15) days prior notice from Landlord, or to commence and diligently prosecute such repairs if the same cannot be completed within such fifteen (15) days, Landlord may perform such maintenance or repairs at Tenant's expense and collect the cost thereof from Tenant upon ten (10) days' written notice, as Additional Rent, together with fifteen percent (15%) of the cost thereof, as a construction administration fee, to the extent not already included in the cost of such repairs or maintenance.

12.4. Notwithstanding anything to the contrary contained in this Lease, Landlord shall not be obligated or required to maintain, or to make any repairs, replacements or improvements to the Common Areas, Common Elements and Common Facilities of the Business Center, all of which are the Association's responsibility to maintain, repair and replace, pursuant to the Declaration. Landlord shall exert commercially reasonable efforts (when warranted) to enforce Landlord's rights under the Declaration with respect to any breaches of the Association's obligations thereunder.

#### ARTICLE 13. Required Insurance.

13.1. In this Lease "Required Insurance" means the insurance coverages specified in Exhibit "C". At Tenant's sole expense, Tenant shall secure and maintain all Required Insurance at all times during the Term.

13.2. All policies of Required Insurance shall be issued by an insurance company rated "A" or better by Best's and having a Best's Financial Size category of "XIV" or better and licensed to do business in the State. Each insurance policy obtained by Tenant shall provide that the same shall not be cancelled except after thirty (30) days' prior written notice to Landlord. Certificates of insurance or, if required by Landlord or the holder of any Senior Encumbrance, certified copies or duplicate originals of the original insurance policies, together with reasonably satisfactory evidence of payment of the premiums therefor, shall be delivered to Landlord and to the holder of any Senior Encumbrance on or before the Commencement Date.

13.3. The commercial general liability insurance policy obtained by Tenant under this Article 13 shall name Landlord, the Association and, at Landlord's request, any mortgagee or ground lessor of the Property as additional insureds, as their interests may appear. Tenant and Landlord shall cooperate with each other and with the holders of any Senior Encumbrances in connection with collection of insurance proceeds.

13.4. Tenant shall not secure separate insurance concurrent in form or contributing in the event of loss with any policy of Required Insurance. Tenant may maintain the insurance coverages required hereunder in the form of a blanket policy covering other locations in addition to the Premises; provided, however, that Tenant must provide Landlord with a certificate of insurance specifically naming the location of the Premises. Tenant shall not do or permit to be done any act or thing upon the Premises which will invalidate any insurance policy or be in conflict with any Insurance Requirements, or increase the rate of fire insurance applicable to the Property. Tenant shall reimburse Landlord, as Additional Rent not later than fifteen (15) days after demand, for all increases of Landlord's insurance premiums resulting from violations of Tenant's obligations under this Section. In any Legal Proceeding involving the cost of insurance, a schedule or "make-up" of rates issued by the body making insurance rates for the Property or the Premises shall be presumptive evidence of the items and charges taken into consideration in fixing the insurance rates then applicable to the Premises or the Property.

13.5. Landlord shall maintain at all times during the Term fire and extended coverage insurance covering the Building (including, without limitation, all fixtures which are included in the basic construction of the Building) in the minimum amount sufficient to prevent Landlord from being a co-insurer under its policies of insurance and public liability and property damage insurance in an amount customary for properties similar to the Property.

13.6. All policies of insurance carried by Landlord and Tenant (insuring the Building, in the case of Landlord, and insuring any Alterations and Tenant's Property and business interruption insurance in the case of Tenant) against loss, damage or destruction by fire or other insured casualty, shall include a waiver by the insurer of all rights of subrogation against Landlord and Landlord's Affiliates and the Association, in the case of insurance carried by Tenant, and Tenant and Tenant's Affiliates in the case of insurance carried by Landlord, in connection with any loss or damage thereby insured against. If policies of insurance with such waivers are available only at extra premium, the insured party will give written notice to the other, who may pay the extra premium for such waiver within thirty (30) days after giving of such notice; and the insured party will then secure the waiver of subrogation. Landlord and Tenant hereby release each other from any claims, losses, liability or Damage, whether or not caused by the negligence of the other, due to hazards covered by (or which would have been covered by, but for the failure of Landlord or Tenant to obtain, the insurance required hereunder) policies containing such a waiver of subrogation. If the release of either Landlord or Tenant or any other party in this Section contravenes any law respecting exculpatory agreements, the party purportedly released hereunder shall not be released; but such party's liability shall be secondary to that of the other party's insurer.

#### ARTICLE 14. Damage and Restoration.

14.1. Tenant shall promptly notify Landlord of any Damage to the Premises. If all or any portion of the Building or the Premises shall be Damaged or rendered untenable by fire, the elements, or other casualty and this Lease is not terminated pursuant to the provisions of this Article, Landlord shall proceed with due diligence to repair the damage to the roof, the roof membrane, the exterior and load bearing walls (excluding the interior of all walls and the exterior and interior of all doors, door frames and all window glass), the foundation, the structural floor slab and other structural elements of the Building and the building systems, at

Landlord's sole cost and expense, subject to force majeure and other delays reasonably beyond the control of Landlord. Landlord shall not be responsible for the repair of any Damage to, or replacement or Restoration of, Tenant's inventory, trade fixtures, furniture, furnishings and equipment and any other items of Tenant's Property or of any leasehold improvements installed in the Premises by Tenant. If this Lease is not terminated pursuant to the provisions of this Article, all repairs required by reason of Damage other than those which it is Landlord's responsibility under this Section to make, including the replacement of Tenant's inventory, trade fixtures, furniture, furnishings and equipment, and any other items of Tenant's Property, shall be performed by Tenant with due diligence, at its sole cost and expense, in accordance with all terms of this Lease (including Article 10) promptly and with due diligence, subject to force majeure and other delays reasonably beyond the control of Tenant.

14.2. If, as a result of such Damage the Building is Damaged or rendered untenable to the extent of twenty-five percent (25%) or more of its replacement cost or to the extent that substantial alteration, demolition, or reconstruction of the Building shall be required (whether or not the Premises shall have been damaged or rendered untenable), in the professional opinion of a reputable contractor or architect selected by Landlord, then Landlord may, not later than sixty (60) days following date of such Damage, give Tenant a notice in writing terminating this Lease. If Landlord elects to terminate this Lease as aforesaid, the Term shall expire upon the sixtieth (60th) day after such notice is given as if such date were the Expiration Date and Tenant shall thereupon vacate the Premises and surrender the same to Landlord in accordance with all provisions of this Lease.

14.3. If Landlord elects or is obligated to Restore the Building under this Article and has not substantially completed or, if, in the professional opinion of a reputable contractor or architect selected by Landlord cannot substantially complete such Restoration within twelve (12) months after the date of such Damage and if such Damage has deprived (and then continues to deprive) Tenant of reasonable access to the Premises, or to the use and enjoyment of a material portion of the Premises, then Tenant may terminate this Lease by written notice to Landlord such notice to be delivered within thirty (30) days of the end of such twelve (12) month period (or, in the case of a termination resulting from the opinion of the contractor or architect selected by Landlord that the Restoration is not capable of being completed within such twelve (12) month period, within thirty (30) days of the date of delivery by Landlord to Tenant of a notice of such opinion). In the event a termination notice is delivered by Tenant, such notice will be effective on the tenth (10th) day after delivery by Tenant.

14.4. Notwithstanding any provision to the contrary in this Article, if the Premises are damaged or rendered untenable to the extent of twenty-five percent (25%) or more during the last year of the Term, then either Tenant or Landlord may, not later than thirty (30) days following date of such Damage, give the other a notice in writing terminating this Lease. If either party shall elect to terminate this Lease under the provisions of this Section the Term shall expire upon the thirtieth (30th) day after such notice is given as if such date were the Expiration Date and Tenant shall thereupon vacate the Premises and surrender the same to Landlord in accordance with all provisions of the Lease.

14.5. In any case in which all or a part of the Premises become unusable by Tenant as a result of fire, the elements or other insured casualty, Tenant shall be entitled to an abatement of Rents from the date of such Damage to the date when the Premises have been substantially Restored. Such abatement shall be in direct proportion to the ratio of the usable area of the Premises rendered unusable as a result of such Damage to the total usable area of the Premises.

14.6. This Article shall be considered an express agreement governing any case of Damage to the Premises and any provisions of the Legal Requirements of the State of New Jersey which conflict with the provisions set forth herein are hereby waived by Tenant. Without limiting the foregoing, Tenant hereby expressly waives the benefit of New Jersey Statutes Annotated, Title 46, Chapter 8, Sections 6 and 7 and any successor statute.

#### ARTICLE 15. Condemnation.

15.1. If all or any part of the Premises shall be Condemned by any Government Entity, this Lease shall terminate as to the portion so taken on the date Tenant is required to yield possession thereof to the condemning Government Entity. Landlord shall Restore the portion of the Property and/or the Premises not Condemned so that it may be legally occupied by Tenant and all Rents shall be reduced in direct proportion to the ratio that the usable area of the Premises so taken bears to the total usable area of the Premises. If twenty-five percent (25%) or more of the Building is Condemned as aforesaid, (whether or not the Premises, or any portion thereof, is Condemned), or if parking spaces on the Property are substantially reduced by such Condemnation, and Landlord does not deem it reasonably feasible to Restore the Building or replace such parking spaces with other parking spaces on the portion of the Property not Condemned, then Landlord may elect to terminate this Lease as of the date on which possession thereof is required to be yielded to the condemning Government Entity, by giving notice of such election within sixty (60) days after such date. If Landlord elects to terminate this Lease as aforesaid, the Term shall expire upon the sixtieth (60th) day after such notice is given as if such date were the Expiration Date and Tenant shall thereupon vacate the Premises and surrender the same to Landlord in accordance with all provisions of this Lease.

15.2. If all or any part of the Premises is Condemned during the Term for a period not exceeding twelve (12) months, this Lease shall continue in full force and effect; and Tenant shall continue to pay all Rents without reduction or abatement. However, in such event, Tenant shall be entitled to the entire award, compensation or damages for such temporary Condemnation. A temporary Condemnation of all or part of the Premises for a period in excess of twelve (12) months shall be deemed to be (to the extent thereof) a permanent Condemnation.

15.3. In the event of any permanent Condemnation of all or any portion of the Property, whether or not this Lease shall be terminated by virtue thereof, Landlord shall be entitled to receive the entire award and compensation, without deduction for any estate vested in Tenant by this Lease (or any value attributable thereto) and Tenant agrees to execute and file any and all applications and documents necessary or desirable to facilitate Landlord's collection of any such award and compensation. Nothing contained in this Article shall be deemed to prevent Tenant from making a separate claim in any Condemnation proceeding for the unamortized cost of any fixtures or Alterations paid for by Tenant (other than Landlord's Work pursuant to Exhibit "D"); for moving expenses; and for any loss of business, but only if such award shall be made by the Government Entity in addition to, and shall not result in a reduction of the award received by, Landlord.

15.4. Landlord shall have no liability for any loss, damage or inconvenience arising out of any Condemnation of the Common Areas, Common Elements or the Common Facilities of the Business Center; provided, however, that if access to the Property is denied by virtue of such Condemnation for a period in excess of twelve (12) months, Tenant may terminate this Lease as though the Premises had been permanently condemned.

#### ARTICLE 16. Building Services.

16.1. Tenant shall maintain and repair the heating, air-conditioning and ventilation units (the "HVAC Units") servicing the Premises to distribute heating, ventilation and air conditioning to the Premises. Tenant shall keep unobstructed all vents, intakes, outlets and grills of the HVAC distribution system and shall comply and observe all regulations and requirements reasonably prescribed by Landlord for the functioning of the HVAC system. The rearrangement of existing partitioning may require changes in the heating, ventilating and/or air-conditioning system servicing the Premises in order to provide comfortable occupancy; such changes shall be made at Tenant's expense as Alterations in accordance with the provisions of Article 10, subject to all provisions set forth in that Article.

16.2. Landlord shall furnish water to the Premises 24 hours per day, 365 days per year for ordinary lavatory, cafeteria, drinking, and office cleaning purposes. If Tenant uses unusual quantities of water for any other purpose, Tenant shall pay Landlord, as Additional Rent, Landlord's actual cost for any further supply of water, when and as Landlord receives bills for water consumed, and for sewer rents and all other rents and charges based upon Tenant's consumption of water in excess of normal lavatory, drinking, and office cleaning purposes, as Additional Rent. At Landlord's election, Landlord may install and maintain, at Landlord's expense, a water meter to register such unusual consumption of water.

16.3. Landlord shall furnish rubbish removal services as required (in contradistinction to janitorial services and Premises cleaning, which shall be arranged and paid for directly by Tenant) and shall maintain and repair, as required, the exterior areas of the Property and, in connection therewith, furnish landscaping and snow removal services.

16.4. All services other than as provided pursuant to Section 16.1, 16.2 or 16.3 to be provided to, or which shall be necessary for the conduct of, Tenant's operations within the Premises, including, without limitation and for purposes of illustration, the furnishing of electric current and gas energy (subject, however, to the provisions of Article 7 of this Lease), telephone, janitorial, cleaning, security and any other utility or service which Tenant shall deem necessary or desirable, shall be separately arranged, metered, maintained and paid for by Tenant. Tenant's utilities shall be separately metered, where possible, and all costs of any utilities not separately metered shall be Additional Rent. Landlord shall not provide cleaning services to any portion of the Premises. Tenant, at its sole cost and expense, shall cause the Premises to be kept clean and in a good and orderly condition as befits similar buildings in the county where the Property is situated. In the event Tenant shall employ a contractor to provide any services to the Premises, such contractor (and any subcontractors) shall agree to employ only such labor as will not result in jurisdictional disputes or strikes. Tenant shall inform Landlord of the names of any contractor or subcontractor Tenant proposes to use in the Premises at least fifteen (15) days prior to the beginning of work by such contractor or subcontractors.

16.5. Landlord reserves the right to stop or interrupt any of the services required to be provided under this Lease and the use of any other facilities, at such times as shall be required by reason of accidents or emergencies, strikes, making of necessary repairs, alterations or improvements, inability to secure a proper supply of fuel, steam, water, electricity, labor or supplies, or any other similar or dissimilar causes whatsoever beyond Landlord's reasonable control, and not related to Landlord's, Landlord's Affiliates' or the Property Employees' negligence or tortious conduct.

16.6. If Tenant desires that Landlord provide the services described in Sections 16.1, 16.2, or 16.3 in quantities in excess of the amounts which Landlord has agreed to furnish, or at times other than which Landlord is required to furnish such services, Landlord will directly charge Tenant for such excess or overtime services.

#### ARTICLE 17. Rules and Regulations.

17.1. Tenant shall observe and comply with all rules and regulations applicable to the Property reasonably promulgated by Landlord from time to time (the "Rules and Regulations") and with all other reasonable rules and regulations adopted by the Association as such rules and regulations may be amended from time to time. Landlord shall provide Tenant, from time to time, with true and complete copies of all Rules and Regulations. Landlord shall apply the Rules and Regulations in good faith and without discrimination against Tenant and any other tenant of the Property. The terms, covenants, conditions, and provisions of this Lease shall govern in the event of any conflict or inconsistency between this Lease and Landlord's Rules and Regulations.

17.2. Neither Landlord, Tenant nor the Association shall be liable for the non-compliance by any other tenant, occupant, or Owner of the Business Center with the Rules and Regulations.

#### ARTICLE 18. Landlord's Access to Premises; Related Matters.

18.1. Tenant shall permit Landlord to erect, use and maintain pipes, ducts and conduits in and through the Premises, provided the same are installed adjacent to or concealed behind the walls and ceilings of the Premises. Landlord shall be allowed to bring into the Premises, upon reasonable advance notice to Tenant (except in the case of an emergency), all necessary materials, equipment, tools, and supplies to be used for any work permitted or required under this Lease; and, so long as Tenant's business operations are not materially or unreasonably interrupted, Rents shall not abate while said repairs or alterations are being made. Landlord shall use reasonable efforts to minimize interference with Tenant's business operations in the Premises.

18.2. Landlord shall at all times have a key to unlock all of the doors in and about the Premises. No additional locks, other devices or systems which would restrict access to the Premises shall be placed upon any doors without the prior consent of the Landlord which consent shall not be unreasonably withheld or delayed (provided however that Tenant shall provide to Landlord keys or other means of access with respect to all such locks or systems). Landlord may enter the Premises on Business Days during Business Hours on reasonable notice, but at any time in case of emergency (and by force, if necessary, in such event,) to exhibit the Premises in connection with any prospective sale, lease or financing; to inspect the Premises and/or to perform any maintenance; or to make any repairs, alterations, or improvements which Landlord deems necessary or which are otherwise permitted or required under this Lease. Landlord shall use reasonable efforts to minimize interference with Tenant's business operations in the Premises.

#### ARTICLE 19. Subordination; Estoppel Certificates; Attornment.

19.1. This Lease and the leasehold estate created hereby, are now and shall hereafter be subject and subordinate in every respect to all Senior Encumbrances. This subordination shall be self-operative; however, if and whenever requested by Landlord or the holder of any Senior Encumbrance, Tenant shall execute and deliver promptly any certificate or instrument (in recordable form, if required) requested to evidence such subordination.

19.2. Upon request of any future fee owner or the holder of any Senior Encumbrance who succeeds to the rights of Landlord hereunder (any such Person is referred to in this Section as a "New Landlord"), Tenant shall attorn to and recognize each New Landlord as "Landlord" under this Lease; and Tenant shall promptly execute and deliver any instrument which each New Landlord may reasonably request to evidence such attornment. Upon such attornment, this Lease shall continue in full force and effect as, or as if it were, a direct lease between New Landlord and Tenant; except, however, that any New Landlord (if not Landlord, an Affiliate of Landlord, or a nominee or designee of Landlord) shall not: be liable for any previous act or omission of Landlord under the Lease, or any claim which shall have previously accrued to Tenant against any prior Landlord; or be bound by any prepayment to any prior Landlord of more than one month's Fixed Rent or Additional Rent; or be subject to any offsets, abatements, claims, defenses, or counterclaims which Tenant may have against any prior Landlord (excepting however, any offsets or abatements expressly set forth in this Lease); or in the case of a lender or ground lessor that acquires the Property by foreclosure or summary proceedings, be required to complete or perform any construction or capital improvement.

19.3. Upon the request of a party (in this Section 19.3, the "Requesting Party") from time to time, the other party (the "Certifying Party") shall, within ten (10) days of receipt of said notice or request

deliver to the Requesting Party a written statement (each such, an "Estoppel Certificate") certifying that, to the extent accurate: there are no agreements other than the Lease (and no amendments, modifications, extensions, or other revisions of the Lease) in effect between Tenant and Landlord (or any other Person) with respect to the Premises to the best of the Certifying Party's knowledge, such party has no setoff claim, demand or cause of action against the Requesting Party; to the best of the Certifying Party's knowledge, the Requesting Party is not in default in the performance of any of its obligations under the Lease; and the Certifying Party has not given any notice of default to the Requesting Party; and that the Certifying Party's SIC number or classification has not changed. In each Estoppel Certificate the Certifying Party shall certify, also, the amount of Fixed Rent then payable under the Lease, the amounts (and elements) of Additional Rent then payable, and the dates to which Tenant has paid the same.

19.4. If the holder of any Senior Encumbrance requests insubstantial modifications in this Lease as a condition to approval of any financing or refinancing of the Land and/or the Building, Tenant will not unreasonably withhold or delay making any such modifications so long as they do not adversely affect Tenant's rights and obligations under this Lease.

19.5. Except for the first month's Fixed Rent paid pursuant to 3.1 of this Lease, Tenant will pay no Rent under this Lease more than thirty (30) days in advance of its due date.

19.6. Tenant will not exercise any right to terminate this Lease based upon any alleged act or omission of Landlord unless Tenant first gives written notice of such act or omission to Landlord and to the holder of each Senior Encumbrance and until a reasonable period of time for such holder of the Senior Encumbrance to remedy such act or omission elapses after the giving of such notice (during which time such holder shall have the right, but no obligation, to remedy the alleged act or omission). Tenant agrees, further, not to exercise any such right if the holder of any such Senior Encumbrance commences to cure such act or omission within a reasonable time after such notice and diligently continues to prosecute such cure to completion.

19.7. Landlord shall exert commercially reasonable efforts to cause the holder of any Senior Encumbrance to execute and deliver to Tenant a non-disturbance agreement (each a "Non-Disturbance Agreement") in such holder's then customary form, and otherwise in recordable form.

#### ARTICLE 20. Inability to Perform.

20.1. Unless otherwise provided specifically to the contrary in this Lease, this Lease and Tenant's obligations to pay Rent and perform all of Tenant's other covenants, agreements, terms, provisions and conditions hereunder shall not be affected, impaired or excused because Landlord, due to causes beyond Landlord's reasonable control, is unable to fulfill any of Landlord's obligations or is unable to furnish or is delayed in furnishing any work or service whatsoever expressly or impliedly to be furnished, or is unable to make or is delayed in making any repairs; provided, that Tenant shall give prompt notice to Landlord of any such failure or delay by Landlord in performing its obligations, furnishing any work or service or making any repairs.

20.2. Unless otherwise provided specifically to the contrary in this Lease, this Lease shall not be terminated because Tenant is unable to fulfill any of Tenant's non-monetary obligations or is unable to make or is delayed from so doing by reason of any cause beyond Tenant's reasonable control (including, without limitation, strikes, governmental preemption in connection with a national emergency, Legal Requirements, failure of utilities or public services, or unusually severe weather).

#### ARTICLE 21. Surrender of Premises.

21.1. Upon the expiration of the Term or any earlier termination of this Lease, Tenant shall quit and surrender to Landlord the Premises, broom clean, in the same condition as on the Commencement Date, excepting Alterations performed by Tenant in accordance with Article 10 which Tenant was not required to remove pursuant to the provisions of Section 10.2 and excepting also ordinary wear and tear and Damage and any damage caused by Landlord, Landlord's Affiliates or Property Employees. This Section shall survive the expiration of the Term or any earlier termination of this Lease.

21.2. If Tenant remains in possession of the Premises after the expiration or termination of this Lease without the express written consent of Landlord (which consent shall refer specifically to this Section 21.2), the parties recognize and agree that the damage to Landlord will be substantial, will exceed the amount of monthly Fixed Rent and Additional Rent theretofore payable hereunder and will be impossible to measure accurately. Tenant, therefore, at the option of Landlord, shall be deemed to be occupying the Premises as a tenant from month to month, at a monthly rental payable in advance on the first day of each month, equal to one hundred fifty percent (150%) of the Fixed Rent and Additional Rent payable during the last month of the Term, subject to all of the other terms of this Lease insofar as the same are applicable to a month-to-month tenancy. In addition, Tenant will be responsible for all losses and damages (whether ordinary or special, foreseen or unforeseen, direct or consequential) which Landlord suffers, pays or incurs as a result of Tenant's holding over, if Tenant holds over for a period longer than ninety (90) days after the expiration or termination of this

Lease. Nothing herein contained shall be deemed to permit Tenant to remain in possession of the Premises after the expiration or sooner termination of the term of this Lease.

ARTICLE 22.      Assignment, Mortgaging,  
                         Subletting, etc. \_\_\_\_\_

22.1.      Except as otherwise expressly provided in this Article, Tenant shall not, without obtaining the prior written consent of Landlord, in each instance:

- (a)      assign or otherwise transfer this Lease, or any part of Tenant's right, title or interest therein;
- (b)      sublet all or any part of the Premises or allow all or any part of the Premises to be used or occupied by any other Persons; or
- (c)      mortgage, pledge or otherwise encumber this Lease, Tenant's leasehold or the Premises.

22.2.      Landlord's consent shall not be required with respect to a sublease or assignment by Tenant to a parent, subsidiary or affiliate of Tenant or to an assignment of this Lease to a corporation into (or with) which Tenant is merged or consolidated or to any Person to which substantially all of Tenant's assets are transferred, provided that:

- (a)      such merger, consolidation, or transfer of assets is for a good business purpose and not a device for the transfer of Tenant's interest in this Lease; and
- (b)      the assignee or successor entity in any such merger, consolidation or transfer of assets has a net worth at least equal to ten times (10x) Annual Fixed Rent (which sum shall be increased annually by three percent (3%)), as evidenced by financial statements prepared and certified by independent certified public accountants.

For the purpose of this Section 22.2 a "subsidiary" or "affiliate" of Tenant shall mean the following:

- (c)      An "affiliate" shall mean any Person which, directly or indirectly, controls or is controlled by or is under common control with Tenant.
- (d)      A "subsidiary" shall mean any corporation the majority of whose ownership interests shall, at the time, be owned directly or indirectly by Tenant.

22.3.      Any assignment, whether made with Landlord's consent to the extent required pursuant to Section 22.1 or without Landlord's consent pursuant to Section 22.2, shall not be effective, and shall be void as against Landlord, unless and until:

- (a)      the assignee shall execute, acknowledge and deliver to Landlord an agreement, in form and substance reasonably satisfactory to Landlord, under which (i) assignee assumes the obligations and performance of this Lease and agrees to be bound by all of the covenants, agreements, terms, provisions and conditions hereby on the part of Tenant to be performed or observed on and after the effective date of any such assignment; and (ii) the assignor agrees that the provisions of this Article shall continue binding upon it in the future, notwithstanding the assignment or other transfer;
- (b)      in the case of an assignment pursuant to Section 22.2 in connection with a merger, consolidation or transfer of assets as described therein, Tenant or its successor shall have delivered to Landlord financial statements certified by certified public accountants evidencing satisfaction of the net worth requirement in Section 22.2(b); and
- (c)      Tenant shall have complied with Section 22.8.

22.4.      Tenant covenants that, notwithstanding any assignment or transfer, Tenant shall remain fully and jointly and severally liable for the payment of all Rents due and to become due under this Lease and for the performance and observance of all of the covenants, agreements, terms, provisions and conditions of this Lease on the part of Tenant to be performed or observed. After any assignment, subletting, or other transfer permitted under Sections 22.1 or 22.2, Tenant's liabilities and obligations under this Lease shall not be discharged, released or impaired in any respect by any agreement or stipulation made by Landlord extending the Term, or modifying any obligations contained in this Lease, or by any waiver or failure of Landlord to enforce any of Tenant's obligations under this Lease ~~except that~~, if any such agreement, stipulation or modification

increases the obligations of Tenant under this Lease, Tenant's liability under this Lease shall continue to be no greater than as if such agreement, stipulation or modification had not been made.

22.5. If Tenant agrees to assign this Lease or to sublet fifty percent (50%) or more of the usable area of the Premises for a period longer than fifty percent (50%) of the then remaining Term of this Lease (giving effect to the Renewal Term only if the option to lease the Premises for the Renewal Term has then been duly exercised) Tenant shall, prior to the effective date thereof (the "Effective Date") deliver to Landlord executed counterparts of any such agreement and of all ancillary agreements with the proposed assignee or subtenant, as applicable. Landlord shall then have the right to terminate this Lease on the Effective Date of such assignment or sublease (with respect to the portion of the Premises proposed to be sublet, in the case of a sublease) as if it were the Expiration Date and enter into a direct lease, with Tenant's proposed subtenant or assignee, such right to be exercised by written notice to Tenant given within thirty (30) days of the date Landlord receives executed counterparts of any sublease or assignment. If Landlord exercises its option under this Section 22.5 (x) all Fixed Rent and Tenant's Percentage shall be reduced in proportion to the rentable area of the Premises recaptured by Landlord, (y) Landlord shall without any liability whatsoever to Tenant, enter into a direct lease, with Tenant's proposed subtenant or assignee on terms and conditions substantially similar in all material respects to those set forth in the agreement evidencing such assignment or sublease and (z) the named Tenant herein shall be released from all obligations under this Lease which accrue from and after the date of Landlord's termination of this Lease in the case of a recapture of the entire Premises in connection with a proposed assignment of the Lease or in connection with a sublease of the entire Premises; or only from those obligations which accrue from and after the date of Landlord's recapture of, and which pertain to, the space proposed to be sublet, in the case of a recapture of a portion of the Premises (other than those obligations which, by their terms, survive the expiration or termination of this Lease).

22.6. If Section 22.5 is inapplicable or, if Section 22.5 is applicable and Landlord does not elect to terminate this Lease (in whole or in part) under Section 22.5, Landlord shall not unreasonably withhold or delay its consent to an assignment of this Lease, or a subletting of the whole or a part of the Premises provided:

- (a) Tenant shall give Landlord the name and business address of the proposed subtenant or assignee, adequate information with respect to the nature and character of the proposed subtenant's or assignee's business, references and current financial information as are reasonably satisfactory to Landlord, and an executed counterpart of the sublease or assignment agreement, all of which shall be reasonably satisfactory to Landlord;
- (b) the proposed subtenant or assignee is of sound financial condition and has acceptable stature and reputation in the business community, all as reasonably determined by Landlord;
- (c) the nature and character of the proposed subtenant or assignee and its intended use of the Premises is permitted under Section 1.1 and does not pose an environmental risk to the Property;
- (d) Tenant shall bear all costs of providing appropriate means of ingress and egress from the sublet space (or of demising the space to be subleased from the remainder of the Premises);
- (e) Tenant shall have paid Landlord all reasonable Fees-And-Costs reasonably incurred by Landlord in connection with the proposed transaction;
- (f) the proposed subtenant or assignee is not (w) an employment or recruitment agency; (x) school, college, university or educational institution whether or not for profit; (y) so long as the ETS Restriction shall remain in effect, engaged in the coaching or preparation of individuals to take standardized training, aptitude, or intelligence tests (except for minor uses incidental to other primary business uses of the assignee or subtenant); or (z) a Government Entity or government of any other sovereign nation (or any branch or division thereof);
- (g) in the case of a subletting of a portion of the Premises which shall be physically demised from the balance of the Premises, the portion so sublet shall be regular in shape and suitable for normal renting purposes;
- (h) there shall be no more than two (2) subtenants of the Premises at any time;
- (i) the proposed subtenant or assignee is not a tenant of the Building or someone actively negotiating with landlord for space in the Building; and
- (j) in the case of a proposed subletting, such subletting shall be at no less than the lesser of (x) the fair rental value of the sublet space as sublet space; or (y) 90% of the fair rental value of the sublet space if such sublet space were then being leased directly by Landlord (in each case as reasonably determined by landlord).

22.7. If Landlord has not elected to terminate this Lease (in whole or in part) under Section 22.5 or, if Landlord consents to any assignment or sublease, Tenant shall pay Landlord, as Additional Rent:

(a) in the case of each and every assignment, an amount equal to fifty percent (50%) of all sums and other considerations whatsoever paid to Tenant by the assignee for (or by reason of) such assignment (including any sums paid for the sale of Tenant's fixtures, leasehold improvements made at Tenant's expense, equipment, furniture, furnishings or other personal property which are in excess of the fair market value thereof if the payment of such excess sums constitutes an attempt to avoid the provisions of this Section) after first deducting the reasonable costs incurred by Tenant in connection with such assignment for legal fees and disbursements, brokerage commissions, accounting fees and advertising costs; and

(b) in the case of each and every sublease fifty percent (50%) of all rents, additional charges or other consideration whatsoever payable to Tenant by the subtenant which exceed all Rents under this Lease accruing during the term of the sublease in respect of the subleased space (allocated in proportion to the space demised, as reasonably computed by the Managing Agent) pursuant to the terms hereof (including, any sums paid for the sale or rental of Tenant's fixtures, leasehold improvements made at Tenant's expense, equipment, furniture or furnishings or other personal property which are in excess of the fair market value thereof if the payment of such excess sums constitutes an attempt to avoid the provisions of this Section) after first deducting the reasonable costs incurred by Tenant in connection with such subletting for any legal fees and disbursements, brokerage commissions, accounting fees, advertising costs, reasonable costs of constructing demising walls in connection with any subletting.

Tenant shall pay Landlord all amounts due under this Section 22.7 as and when paid by the assignee or subtenant to Tenant. The provisions of this Section 22.7 shall not be applicable to any subletting or assignment made pursuant to Section 22.2.

22.8. As a condition precedent to Tenant's assignment of the Lease or its sublet of all or part of the Premises, Tenant, at its sole cost and expense, shall have received from the Bureau (as defined in Section 9.2), if required, all approvals (if any) required to be obtained pursuant to ISRA. No assignment or sublease shall become effective, whether or not Landlord may have previously afforded its consent, if the terms of this Section 22.8 are not satisfied.

#### ARTICLE 23. Quiet Enjoyment.

23.1. Upon paying all Fixed Rent and Additional Rent promptly when due and keeping and performing the terms, covenants, conditions and provisions of this Lease, Tenant may lawfully and quietly hold and enjoy the Premises during the Term without hindrance, ejection, molestation, or interruption, subject, however, to the terms, covenants, conditions, and provisions of this Lease.

23.2. Nothing in this Section shall prevent Landlord from performing alterations or repairs on other portions of the Building not leased to Tenant, nor shall performance of such alterations or repairs be construed as a breach of this covenant by Landlord. In performing such alterations or repairs Landlord shall exercise reasonable diligence to minimize interference with Tenant's access to the Premises or Tenant's business operations, but shall not be required to perform any maintenance, repairs, Restoration or Alterations on an overtime or premium pay basis, so long as such does not interfere unreasonably or materially with Tenant's access to or use or occupancy of the Premises.

#### ARTICLE 24. Real Estate Brokers.

24.1. Each party hereby represents and warrants to the other party that it has had no dealings with the real estate brokers or sales agents in connection with the negotiation and execution of this Lease other than the Brokers named in Article 1 hereof.

24.2. Each party agrees to indemnify and hold the other party harmless from and against the breach, by the indemnifying party, of the representations and warranties made pursuant to Section 24.1. Each party's indemnity shall cover all commissions, fees and expenses claimed by a real estate broker or sales agent other than the Broker and all expenses which the other party incurs to defend against any such claim, including all Fees-And-Costs.

24.3. Landlord agrees to pay the Brokers specified in Article 1 any commissions due in connection with the execution and delivery of this Lease to which they may be entitled.

ARTICLE 25. Adjacent Excavation; Shoring.

25.1. If excavation, foundation, other substructure work, or other construction work shall be made or authorized upon land adjacent to the Premises, Tenant shall afford to the Person causing (or authorized to cause) such excavation, license to enter the Premises to do such work as necessary to preserve the walls of the Building from injury or damage, and to support the same by proper foundations, without any claim for damages or indemnity against Landlord, or diminution or abatement of Rents; so long as such does not interfere unreasonably or materially with Tenant's access to or use or occupancy of the Premises.

ARTICLE 26. Defaults; Remedies.

26.1. Each of the following events shall be a "Default" under this Lease:

(a) Tenant fails to pay any amount of Fixed Rent, when the same shall be due, and such failure shall continue for five (5) business days after written notice from Landlord to Tenant;

(b) Tenant fails to pay any amount of Additional Rent when the same shall be due, and such failure shall continue for five (5) business days after written notice from Landlord to Tenant;

(c) Tenant fails to keep or perform any other covenant or provision of this Lease, and such failure continues for thirty (30) days after written notice from Landlord, unless such failure requires work to be performed, acts to be done, or conditions to be remedied which cannot be performed, done or remedied within such thirty (30) days, in which case the Default shall not be deemed to exist as long as Tenant duly commences and diligently and continuously prosecutes to completion all steps necessary to cure and remedy the same;

(d) Tenant admits, in writing, that Tenant is unable to pay Tenant's debts as such become due;

(e) Tenant makes an assignment for the benefit of creditors;

(f) Tenant files a voluntary petition in bankruptcy or Tenant files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future Legal Requirements, or Tenant seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of Tenant or of the Premises (or, Tenant's interest therein) or of all or any substantial part of Tenant's property; and

(g) if, within ninety (90) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future Legal Requirements, such proceeding is not dismissed; or if, within ninety (90) days after the appointment (without the consent or acquiescence of Tenant) of any trustee, receiver or liquidator of Tenant or of all or any substantial part of Tenant's property or of the Premises (or Tenant's interest therein), such appointment is not vacated or stayed on appeal or otherwise.

26.2. If and whenever any Default occurs, Landlord may give written notice to Tenant (the "Termination Notice") stating that this Lease and the Term shall expire and terminate on the date specified in such Termination Notice (which date shall be not earlier than five (5) days after the giving of the Termination Notice). In such event, this Lease and the Term (and Tenant's entire right, title, and interest therein) shall expire and terminate as if the date specified in the Termination Notice were the Expiration Date; and Tenant shall quit and surrender the Premises but shall remain liable as hereinafter provided.

26.3. If and whenever any Default occurs, or if this Lease and the Term terminate under Section 26.2, or otherwise, Landlord may without notice re-enter and repossess the Premises; and Tenant shall remain liable as hereinafter provided. If Landlord so re-enters, at its option, Landlord may:

(a) complete Landlord's Work to the extent not then completed;

(b) repair and alter the Premises in such manner as Landlord may deem necessary or desirable without relieving Tenant of any liability whatsoever under this Lease; and

(c) let or relet the Premises (or any parts thereof) for the whole or any part of the remainder of the Term, or for a longer period, in Landlord's name or as agent of

Tenant, and pay and apply all rents and other sums thus collected or received as follows:

(i) first, to all reasonable costs and expenses which Landlord pays or incurs in terminating this Lease, re-entering, retaking, reposessing, repairing and/or altering the Premises, and peaceably removing all Persons and property therefrom, including all Fees-And-Costs;

(ii) second, to all reasonable costs and expenses which Landlord incurs in securing any new tenant(s) of the Premises (including in such costs brokerage commissions and reasonable expenses of preparing the Premises for re-letting, and all Fees-And-Costs; and, if Landlord maintains the Premises, all reasonable costs and expenses of maintaining the Premises, including utilities); and

(iii) third, any balance then remaining on account of Tenant's liability to Landlord under this Lease.

In no case shall re-entry by Landlord, whether under summary proceedings or otherwise, absolve or discharge Tenant from any liability whatsoever under this Lease. Landlord shall have no obligation whatsoever to relet the Premises (or any parts thereof), or to collect any rent or other sums due on any such re-letting; and Landlord's failure to relet or to collect Rent shall not relieve Tenant of any liability whatsoever under this Lease.

26.4. If this Lease and the Term terminate under Section 26.2, or if Landlord re-enters the Premises under Section 26.3 or by any summary proceeding or other Legal Proceeding, then, in any of such events, Tenant shall pay to Landlord, as damages and not as a penalty, an amount equal to the sum of (i) the product of (x) the cost of Landlord's Work (as defined in Exhibit "D"), to the extent paid or incurred by Landlord at the time the Lease is terminated, and (y) a fraction, the numerator of which is the number of full calendar months which would have remained in the Term of the Lease as of the date the Lease was terminated or as of the date Landlord re-entered the Premises, as the case may be, and the denominator of which is thirty-six (36), and (ii) all Fixed Rent and Additional Rent which remains unpaid as of the date of such termination or re-entry, plus (iii) at the election of Landlord, either:

(A) a sum which at the time of such termination of this Lease or at the time of any such re-entry by Landlord, as the case may be, represents the then value of the excess, if any, of (x) the aggregate amount of Fixed Rent and Additional Rent which would have been payable by Tenant (conclusively presuming the average monthly Additional Rent to be the same as was payable for the year, or if less than 365 days have then elapsed since the Commencement Date, the partial year, immediately preceding such termination or re-entry) for the period commencing with the earlier of the termination of this Lease or the date of any such re-entry, as the case may be, and ending with the date that would have been the Expiration Date if this Lease had not so terminated or if Landlord had not so re-entered the Premises, over (y) the aggregate rental value of the Premises for the same period, both discounted to their present value at the rate of six percent (6%) per annum, or

(B) sums equal to the Fixed Rent and Additional Rent which would have been payable by Tenant had this Lease not so terminated, or had Landlord not so re-entered the Premises, said sums to be payable upon the due dates therefor (as provided in this Lease) following such termination or such re-entry until the date that would have been the Expiration Date if this Lease had not so terminated or if Landlord had not so re-entered the Premises.

Landlord may bring Legal Proceedings from time to time, at Landlord's election, for the recovery of damages, and/or for a sum equal to any installment or installments of Fixed Rent or Additional Rent or any liquidated damages or other sum payable by Tenant to Landlord pursuant to this Article; and nothing in this Lease shall require Landlord to await the originally scheduled due dates or the Expiration Date for any such purpose. Nothing herein contained shall be construed to limit or preclude recovery by Landlord against Tenant of any sums, damages or claims to indemnification which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any default of Tenant hereunder.

26.5. Nothing in this Lease shall limit or prejudice Landlord's right to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by any applicable Legal Requirements at the time when such damages are to be proved, whether such amount is greater, equal to, or less than, the amount of damages otherwise specified in this Article. Tenant's interest in the Lease shall not pass to any trustee, receiver, assignee for the benefit of creditors, or any other person or entity, or otherwise by operation of law under the laws of the State unless the Landlord consents in writing to such transfer.

26.6. No receipt of moneys by Landlord from Tenant after a termination of this Lease, shall reinstate, continue or extend the Term or affect any Termination Notice or other written notice previously given to Tenant, or operate as a waiver of Landlord's right to enforce payment of Fixed Rent or Additional Rent then or subsequently becoming due, or operate as a waiver of Landlord's right to recover possession of the Premises. If Tenant is in arrears in the payment of Fixed Rent or Additional Rent, Tenant waives its right, if any, to designate the item against which any payments made by Tenant are to be credited and Tenant agrees that Landlord may apply any payment made by Tenant to any items as Landlord may reasonably see fit, irrespective of and notwithstanding any designation or request by Tenant as to the items against which any such payment shall be credited.

26.7. In event Tenant is dispossessed by judgment or warrant of any court, or in event of the expiration or any termination of this Lease, Tenant (on behalf of Tenant and all Persons claiming by, through, or under Tenant) hereby expressly waives any and all right of redemption now or hereafter provided at law; and Tenant further waives any right of reentry or repossession or of the right to Restore the Term or legal continuance of this Lease subsequent to the expiration or termination thereof.

26.8. Landlord and Tenant hereby waive trial by jury in any Legal Proceeding brought by either against the other with respect to any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant or Tenant's use or occupancy of the Premises (other than any suit for personal injury). If Landlord commences any summary proceeding or other Legal Proceeding for non-payment of Rents (or for any amounts due under Section 21.2), Tenant will not interpose and does hereby waive the right to interpose any counterclaim of whatever nature or description in any such proceeding (unless Tenant's failure to interpose such counterclaim shall waive its right to assert the same cause of action in a separate action or proceeding).

26.9. In event of any Default, or any threatened breach by a party of any term, covenant, condition or provision of this Lease, the other party shall be entitled to enjoin such Default or threatened breach.

26.10. Each right and remedy of a party in this Lease shall be cumulative and in addition to every other right or remedy of such party in this Lease, or now or hereafter existing at law or in equity; and the exercise (or beginning of exercise) by a party of any one or more rights or remedies shall not preclude the simultaneous or later exercise by such party of any and all other rights or remedies of such party in this Lease, or now or hereafter existing at law or in equity.

#### ARTICLE 27. Indemnification.

27.1. Tenant hereby agrees to indemnify Landlord and Landlord's Affiliates and hold Landlord and/or Landlord's Affiliates harmless from and against (and to pay the full amount of) all loss, liability, obligation, damage, penalty, tax, cost, claim, demand, judgment, charge, or expense (other than consequential damages) which Landlord and/or Landlord's Affiliates may suffer, incur, or pay out, or which may be asserted against Landlord and/or Landlord's Affiliates to the extent resulting from:

(a) any Legal Proceeding by Landlord to terminate the Lease, or any other Legal Proceeding by Landlord against Tenant, in which Landlord secures a judgment against Tenant, final beyond appeal;

(b) any Default by Tenant in the observance or performance of any obligation under the Lease (including matters involving the payment of Rent and Additional Rent);

(c) any bodily injury, sickness, disease or death of or to any Person, or any Damage to or of the Premises or the Property (or to property of any other Person), resulting from any negligent or willful acts or omissions of Tenant, or Tenant's Affiliates;

(d) any failure of Tenant to comply with Legal Requirements or Insurance Requirements (as required under this Lease and made known to Tenant by Landlord); and

(e) the storage, maintenance, use, discharge, spillage or disposal of any Hazardous Substances on, in, under or affecting, any portion of the Premises or the Property by Tenant, Tenant's Affiliates and/or Tenant's subtenants or contractors.

Landlord hereby agrees to indemnify Tenant and/or Tenant's Affiliates and hold Tenant and/or Tenant's Affiliates harmless from and against (and to pay the full amount of) all loss, liability, obligation, damage, penalty, tax, cost, claim, demand, judgment, charge, or expense (other than consequential damages) which Tenant and/or Tenant's Affiliates may suffer, incur, or pay out, or which may be asserted against Tenant and/or Tenant's Affiliates to the extent resulting from:

(aa) any Legal Proceeding by Tenant to terminate the Lease, or any other Legal Proceeding by Tenant against Landlord, in which Tenant secures a judgment against Landlord, final beyond appeal;

(bb) any default by Landlord in the observance or performance of any obligation under the Lease;

(cc) any bodily injury, sickness, disease or death of or to any Person, or any Damage to the Premises or the Property (or to property of any other Person), resulting from the negligent or willful acts or omissions of Landlord or Landlord's Affiliates;

(dd) any failure of Landlord to comply with Legal Requirements or Insurance Requirements (as required under this Lease).

(ee) the storage, maintenance, use, discharge, spillage or disposal of any Hazardous Substances on, in, under or affecting, any portion of the Premises or the Property by Landlord, Landlord's Affiliates and/or Landlord's subtenants or Contractors.

Any reference in Sections 27.2, 27.3 and 27.4 to "the indemnifying party" shall mean the party required to indemnify and hold harmless the Persons entitled to indemnification under this Section 27.1; any reference in Sections 27.2, 27.3 and 27.4 to "the indemnified Persons" shall mean the Persons entitled to be indemnified and held harmless under this Section 27.1, as the context requires. Any reference to "loss" or "liability" in this Section shall be deemed to include, with respect to the matters described in subparagraphs (e) and (ee) hereinabove set forth, the costs and expenses incurred in connection with any investigation of site conditions or any cleanup, remediation, removal, or restoration work required by any Government Entity because of Hazardous Substances present on or about the premises (excluding those Hazardous Substances that were caused or permitted, knowingly or unknowingly, by Tenant, to be brought or remain upon or kept or used in or about the premises).

27.2. The indemnifying party shall defend any and all Legal Proceedings commenced against the indemnified Persons by any Person concerning any matter covered by any indemnity or obligation under Section 27.1. In such event, the indemnifying party shall deliver to the indemnified Persons copies of documents served in any Legal Proceeding and, whenever requested by the indemnified Persons, shall advise as to the status of such Legal Proceeding. If the indemnifying party fails to defend diligently any such Legal Proceeding, or if the indemnified Persons elect to defend by written notice to the indemnifying party at any time, the indemnified Persons shall have the right (but no obligation) to defend the same at such indemnifying party's expense. The indemnifying party shall not settle any such Legal Proceeding without the indemnified Persons prior written consent, which consent shall not be unreasonably withheld or delayed.

27.3. The indemnities and obligations set forth in Sections 27.1 and 27.2 shall cover and include all reasonable Fees-And-Costs incurred by an indemnified Person in connection with any and every matter and amount referred to in Sections 27.1 and 27.2. The indemnifying party shall pay all such Fees-And-Costs to an indemnified Person fifteen (15) days after demand.

27.4. The indemnifying party shall notify each indemnified Person promptly of every Legal Proceeding or claim which may or might be covered by any indemnity under this Article 27 and/or by any insurance. The indemnifying party shall also give timely notice of such Legal Proceeding; and claims to each insurer which has issued an applicable policy of insurance; and any insured claim for which an indemnifying party may be responsible may be defended by such party's insurance carrier.

27.5. In the event of any loss, liability, obligation, damage, penalty, tax, cost, claim, demand, judgment, charge or expense results from the joint or concurrent acts or omissions of both the Tenant and Landlord, then Tenant and Landlord shall indemnify and hold each other harmless in direct proportion to each party's respective share of liability.

#### ARTICLE 28. Consents and Approvals.

28.1. Landlord shall consider each request by Tenant for Landlord's consent or approval in good faith.

28.2. If any provision of this Lease expressly or impliedly obligates Landlord not to unreasonably withhold its consent or approval, an action for declaratory judgment or specific performance will be Tenant's sole right and remedy in any dispute as to whether Landlord has breached such obligation; except that if Tenant shall obtain in such proceeding a judgment concluding that Landlord withheld or delayed any such consent in bad faith or in an arbitrary or capricious manner, Tenant shall be entitled to money damages to compensate Tenant for Landlord's unreasonable withholding or delay of such consent.

ARTICLE 29. Notices.

29.1. All notices, requests, demands, elections, consents, approvals and other communications hereunder must be in writing (each such, a "notice") and addressed as follows (or to any other address which either party may designate by notice):

If to Landlord:

Trafalgar House Property, Inc.  
c/o Jones Lang Wootton USA  
One Battery Park Plaza  
New York, New York 10004  
Attention: Asset Manager

with a copy to:

Morgan, Lewis & Bockius LLP  
101 Park Avenue  
New York, New York 10178  
Attention: Mario J. Suarez, Esq.

If to Tenant:

Metorex Inc.  
860 Town Center Drive  
Langhorne, PA 19047  
Attention: Joseph P. Loftus, President

with a copy to:

Mason, Briody, Gallagher & Taylor  
104 Carnegie Center  
Suite 201  
Princeton, New Jersey 08540  
Attention: Kevin M. Briody, Esq.

Any notice required or desired to be given under this Lease by either party to the other shall be deemed to have been duly given only if delivered by hand, evidenced by written receipt, or mailed by either first class, registered mail, return receipt requested, postage and fees prepaid or overnight delivery service, evidenced by written receipt. A notice sent by registered mail shall be deemed given as of the receipt date indicated on the return receipt. All other notices shall be deemed given when received or when delivery thereof is refused.

ARTICLE 30. No Waivers.

30.1. No agreement to accept a surrender of this Lease shall be valid unless in writing signed by Landlord. The delivery of keys to any Agent of Landlord shall not operate as a termination of this Lease or a surrender of the Premises. The failure of either party to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease shall not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation.

30.2. This Lease contains the entire agreement between the parties, and any executory agreement hereafter made shall be ineffective to change, modify, discharge or effect an abandonment of it in whole or in part unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

ARTICLE 31. No Representations by Landlord; Landlord's Interest; Transferee Landlords.

31.1. Neither Landlord, Landlord's Affiliates nor Landlord's agents have made any representations or promises with respect to the Property or the Premises except as expressly set forth in this Lease.

31.2. Tenant agrees to look solely to Landlord's interest in the Property for the satisfaction of any right or remedy of Tenant for the collection of a judgment (or other judicial process) requiring the payment of money by Landlord or Landlord's Affiliates, in the event of any liability by Landlord, and no other property or assets of Landlord or of Landlord's Affiliates shall be subject to levy, execution, attachment, or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease, the relationship of Landlord and Tenant hereunder, or Tenant's use and occupancy of the Premises, or any other liability of Landlord or Landlord's Affiliates to Tenant.

31.3. Nothing contained in this Lease shall be deemed in any way to limit, restrict or otherwise affect Landlord's absolute right at any time or times to convey Landlord's interest in and to the Property, subject at all times to this Lease, or to assign its interest in this Lease, or to assign from time to time the whole or any portion of Fixed Rent or Additional Rent at any time paid or payable hereunder by Tenant to Landlord, to a lender, lessor or other transferee designated by Landlord in a notice to Tenant, and in any such case Tenant shall pay Fixed Rent and Additional Rent payable by Tenant to Landlord, or the portion thereof so assigned, subject to the provisions of this Lease, to Landlord's designee at the address mentioned in any such Notice.

31.4. In the event of any transfer of title to the Property, or in the event of a lease of the Property, the transferor Landlord shall be and hereby is entirely freed and relieved of all covenants, obligations and liabilities of Landlord hereunder to be performed after the date of such transfer or lease of the Property, as the case may be, and it shall be deemed and construed as a covenant running with the land without further agreement between the parties or their successors in interest, or between the parties and the transferee of title to the Property or said lease, or the said lessee of the Property that the transferee or the lessee, as applicable, has assumed and agreed to carry out any and all covenants, obligations and liabilities of Landlord accruing after the date of such transfer or lease of the Property, as the case may be.

ARTICLE 32.        Signage; Parking;  
                      Waiver of Zoning Rights.

32.1. Tenant shall have the right to place one (1) identifying sign on the building directory monument on the Property together with other tenants of the Business Center and one (1) sign on the exterior entrance door to the Premises. The size, type, graphic layout and color of each such sign shall be subject to the written approval of Landlord, and shall conform to the signage criteria of the Business Center. Tenant shall not affix or display any other sign, advertisement or notice of any prior nature visible from the exterior of the Premises without the prior written consent of Landlord.

32.2. Landlord shall provide Tenant with 3.9 unassigned parking spaces for each one thousand (1,000) square feet of Premises area for automobile parking in the Building's parking area for use by Tenant and its employees during the Term, on a non-exclusive basis in common with other Tenants of the Building. Tenant's use of the parking facilities shall be subject to all of Landlord's and the Association's regulations with respect to parking and to Tenant's compliance with any variance or other governmental permission applicable with respect to such parking.

32.3. The Building is known as "250 Phillips Boulevard". Landlord shall have the right at any time to change the designated address of the Building upon not less than one hundred eighty (180) days' advance notice to Tenant.

32.4. Tenant hereby quitclaims, releases, transfers and assigns to Landlord any interest of any kind in any zoning or development rights with respect to the Land and/or the Property which Tenant might acquire by reason of this Lease.

ARTICLE 33.        Memorandum of Lease; No Recording.

33.1. At Landlord's request, the parties shall execute and deliver a memorandum of lease in form and substance satisfactory to Landlord; said memorandum of this Lease shall not be deemed to modify or to change any of the provisions of this Lease.

33.2. This Lease shall not be recorded by Tenant and any attempted or actual recording shall be a Default hereunder.

ARTICLE 34.        Security Deposit.

34.1. Upon the execution of this Lease, Tenant shall deposit with Landlord a cash security deposit in the amount set forth in Section 1.1 for the Term of this Lease as security for the faithful performance and observance by Tenant of all of the terms, provisions, covenants and conditions of this Lease. If Tenant shall default with respect to any of the terms, provisions, covenants and conditions of this Lease, as amended hereby, including, but not limited to, the payment of any Fixed Rent or Additional Rent, Landlord may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any such rent or any other sum as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant's default with respect to any of the terms, conditions, provisions, covenants and conditions of this Lease, as amended hereby, including, but not limited to, any damages or deficiency in the re-letting of the Leased Premises, whether such damage or deficiency accrued before or after summary proceedings or other re-entry by Landlord. If all or any portion of the security shall be used, applied or retained by Landlord in accordance with the provisions of this Section, such sums shall be replenished by Tenant within five (5) days after demand therefor, and a failure by Tenant timely to comply therewith shall be deemed a material default of Tenant under this Lease, entitling Landlord to avail itself of its remedies or as provided at law or in equity or as provided in this Lease, as amended hereby. In the event of an assignment of Landlord's interest in, under or to this Lease, as amended hereby, Landlord shall have the right to transfer the security to the assignee thereof, and Landlord shall thereupon be released by Tenant from all liability for the return of such security, and Tenant agrees to look solely to the new Landlord for the return of said security; and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the security to a new Landlord. Tenant further covenants that Tenant shall not assign or encumber or attempt to assign or encumber the monies deposited herein as security, and that neither Landlord nor its successors or assigns shall be bound by any such assignment, encumbrance or attempted assignment or attempted encumbrance. Landlord shall have no obligation to invest any cash deposit delivered to Landlord.

34.2. In addition to the cash deposit described in Section 34.1, Tenant may deliver to Landlord a clean, irrevocable, non-documentary and unconditional Letter of Credit issued by and drawn upon any commercial bank (hereinafter referred to as the "Issuing Bank") with offices for banking purposes in the City of New York and having a net worth of not less than One Hundred Million and 00/100 (\$100,000,000.00) Dollars, which Letter of Credit shall have a term of not less than one year, be substantially in the form annexed hereto as Exhibit "E", be for the account of Landlord, and be in the sum of One Hundred Forty-Seven Thousand Dollars (\$147,000.00) for the period December 1, 1996 to and including November 31, 1999. Thereafter, the Letter of Credit may provide that the maximum amount drawable thereunder shall be reduced on December 1 of each year

beginning on December 1, 1999 by the sum of \$18,857.14. The Letter of Credit shall at all times be fully transferable by Landlord without any fees or charges therefor. The Letter of Credit shall provide that it shall be deemed automatically renewed, without amendment, for consecutive periods of one (1) year each year thereafter during the term of this Lease, as amended hereby, unless the Issuing Bank sends notice (the "Non Renewal Notice") to Landlord by certified mail, return receipt requested, not less than thirty (30) days next preceding the then expiration date of the Letter of Credit that it elects not to have such Letter of Credit renewed. Additionally, the Letter of Credit shall provide that Landlord shall have the right, exercisable within twenty (20) days of its receipt of the Non-Renewal Notice, by sight draft on the Issuing Bank, to receive the monies represented by the existing Letter of Credit and to hold such proceeds pursuant to the terms of Section 34.1 as a cash security pending the replacement of such Letter of Credit. In the event that Tenant defaults in the performance of any of the terms of this Lease, as amended hereby, Landlord may apply the whole or any part of the deposit or the proceeds of the Letter of Credit so deposited to the extent required for the payment of (i) Fixed Rent or Additional Rent, or (ii) any sum which Landlord may expend or may be required to expend by reason of Tenant's default including, without limitation, any damages or deficiency in the re-letting of the Lease Premises, whether accruing before or after summary proceedings or other reentry by Landlord. Upon each such application, Tenant shall, on demand, at the option of Landlord, either (x) pay to Landlord the sum so applied which shall be added to the remaining deposit or the proceeds of the Letter of Credit so that the amount of security shall be restored to the amount first set forth above, or (y) substitute a new Letter of Credit so that the amount of security required hereunder shall be fully restored, in which case, Landlord will refund any remaining cash proceeds of the previous Letter of Credit. If Tenant shall fully and punctually comply with all of the terms of this Lease, as amended hereby, the Letter of Credit and cash deposit shall be returned to Tenant after the termination of this Lease, as amended hereby, and delivery of exclusive possession of the Lease Premises to Landlord. In the event of a transfer of Landlord's interest in the Overlease, Landlord shall have the right to transfer the cash deposit or Letter of Credit to the transferee and Landlord shall ipso facto be released by Tenant from all liability for the return of said cash deposit or Letter of Credit if such transfer is made, and Tenant agrees to look solely to the new Landlord or landlord for the return of said cash deposit or Letter of Credit; and it is agreed that the provisions hereof shall apply to every transfer or assignment made of the cash deposit or Letter of Credit to a new Landlord or landlord. Tenant shall not assign or encumber or attempt to assign or encumber the cash deposit or Letter of Credit deposited herein as security and neither Landlord nor its successors or assigns shall be bound by any such assignment or encumbrance, or attempted assignment or encumbrance.

ARTICLE 35. Miscellaneous.

35.1 This Lease shall be governed by and construed in accordance with the laws of the State of New Jersey.

35.2. Any interest payable by a party under this Lease shall be at the Interest Rate, unless otherwise provided.

35.3. Schedules "A" and "B" and Exhibits "A" through "E" (and all accompanying schedules and appendices) to this Lease are incorporated in this Lease by reference.

35.4. The terms, covenants, conditions, and provisions of this Lease shall bind and inure to the benefit of Landlord and Tenant and their permitted legal representatives, successors, and assigns.

35.5. The unenforceability, invalidity, or illegality of any provision herein shall not render any other provision herein unenforceable, invalid, or illegal.

35.6. Wherever used in this Lease the words "include" or "including" shall be construed as incorporating "but not limited to" or "without limitation"; the phrase "at Tenant's expense" or "at Landlord's expense" means at the sole and exclusive expense of the respective party.

35.7. Wherever this Lease imposes any obligation upon Tenant or Landlord, or provides that Tenant or Landlord shall be responsible for any action or matter, the Lease shall be construed to mean that such party shall perform or undertake the matter at such party's expense.

35.8. In the event either party commences a Legal Proceeding to enforce any of the terms of this Lease, the prevailing Party in such action shall have the right to recover reasonable attorneys' fees and costs from the other party, to be fixed by the court in the same action. The "prevailing Party" (i) as used in the context of Legal Proceedings in the Bankruptcy Court shall mean the prevailing Party in an adversary proceeding or contested matter, or any other actions taken by the non-bankruptcy Party which are reasonably necessary to protect its rights under this Lease, and (ii) as used in the context of Legal Proceedings in any court other than the Bankruptcy Court shall mean the Party that prevails in obtaining a remedy or relief which most nearly reflects the remedy or relief which the Party sought; so that, for example, the prevailing Party may be a Party which is ordered to pay \$100.00 where the obligation to pay \$80.00 was undisputed and the claiming Party claimed that it was entitled to \$1,000.00.

35.9. The captions of this document are for the convenience of the parties only and neither limit nor amplify the provisions of this Lease.


35.10. Each party represents and warrants to the other that the execution, delivery and performance of this Lease has been duly authorized by all necessary corporate or partnership action.


35.11. This Lease may be executed by the parties hereto in separate counterparts, each of which, when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same agreement, and all signatures need not appear on any one counterpart.

IN WITNESS WHEREOF, LANDLORD AND TENANT HAVE RESPECTIVELY EXECUTED THIS LEASE AS OF THE DATE AND YEAR FIRST ABOVE WRITTEN.

WITNESS:

TRAFALGAR HOUSE PROPERTY, INC.

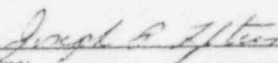
  
Name: CHRISTINE DIPASQUALE

By:   
Name: W. J. B. DAVIES  
Title: PRESIDENT

WITNESS:

METOREX INC.

  
Name: JANET SAMUELS

By:   
Name: JOSEPH P. LOFTUS  
Title: PRESIDENT

The Land

BLOCK 225.01, LOT 6 ON THE TAX MAP OF EWING TOWNSHIP, MERCER COUNTY,  
STATE OF NEW JERSEY.

Permitted Encumbrances

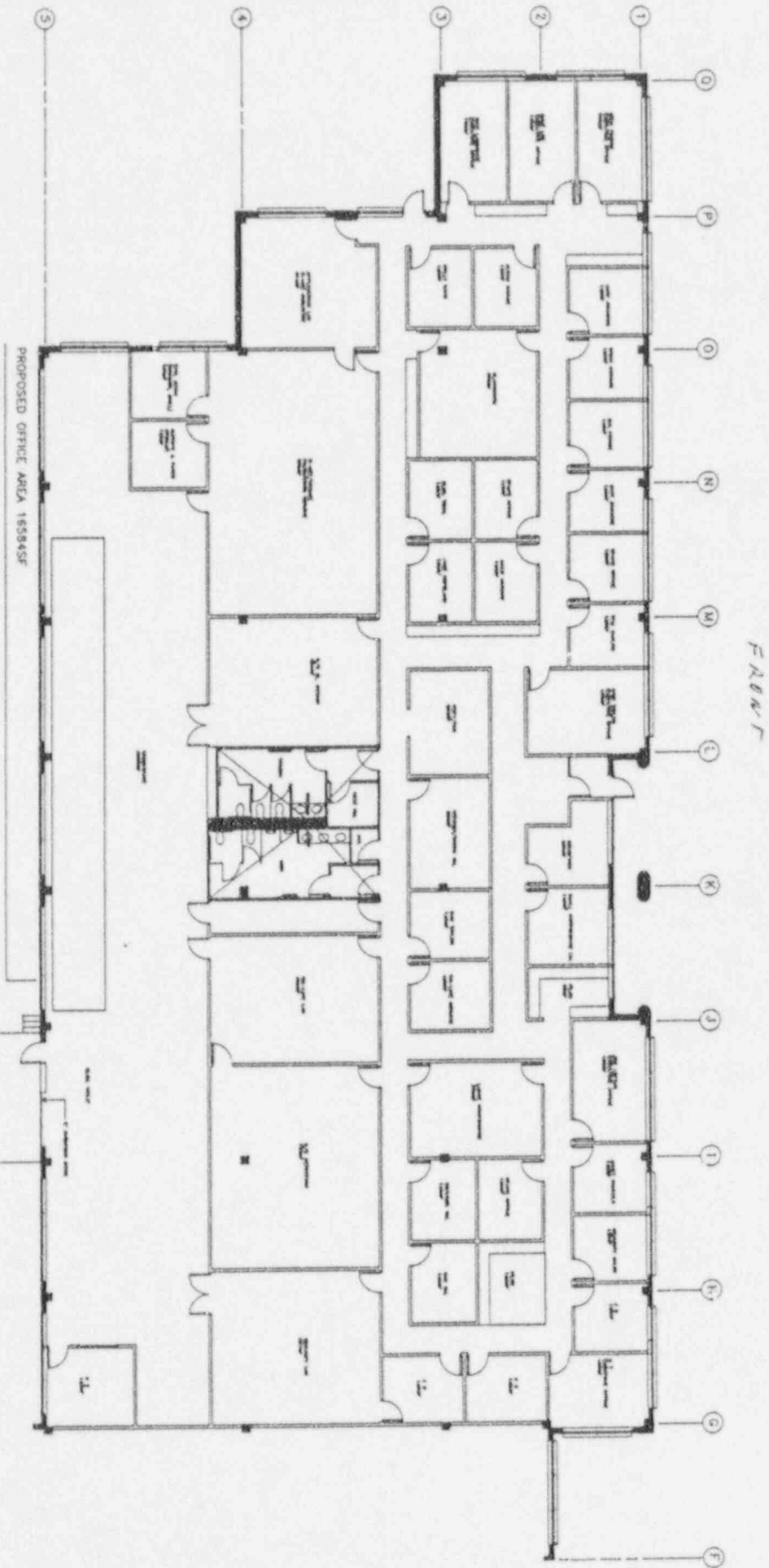
The following are "Permitted Encumbrances" to which this Lease (and Tenant's estate hereunder) are and shall be subject and subordinate:

1. any and all Senior Encumbrances now or at any time hereafter in effect or constituting liens on or against the Premises;
2. all zoning regulations and ordinances of the State or the City and all other laws and regulations of every kind whatsoever, whensoever enacted;
3. utility company rights, licenses, and/or easements to maintain poles, lines, wires, towers, stations, cables, pipes, boxes and/or other fixtures or installations presently serving, crossing, existing, or granted on, under or with respect to the Property (none of which unreasonably or materially adversely affect Tenant's rights under this Lease);
4. all covenants, restrictions, easements, or reservations (if any) of record against the Property (none of which unreasonably or materially adversely affect Tenant's rights under this Lease);
5. encroachments, overlaps, boundary line disputes and other matters which would be disclosed by an accurate survey and inspection of the Premises.

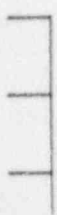
Floor Plan of Premises

MEIOREX, INC.

Floor Plan 1/8" = 1'-0" 7/4/76  
Korwin Assoc. 5 W 185th NYC.



NEAR



Definitions

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

"Alteration" means any and every alteration, addition, construction or improvement of or to the Premises, other than Decorations.

"Association" means Princeton Crossroads at Ewing Owners Association, Inc., a New Jersey not-for-profit corporation, together with its successors and assigns.

"Board of Trustees" means the Board of Trustees of the Association, as defined in the Declaration. References in this Lease to the "Board" are to the Board of Trustees.

"Building Systems" means the base building life/safety, sprinkler, heating, ventilating, air conditioning, plumbing, mechanical and electrical systems, installations, and facilities of the Building (exclusive of Tenant's supplemental, special or unique systems, installations or facilities) which serve both the Premises and other portions of the Building.

"Business Days" means all days except Saturdays, Sundays and days observed by the Federal government, the New Jersey State government or the City of Trenton as legal holidays and such other days as shall be designated as holidays by any applicable Union contract.

"Business Hours" means 8:00 a.m. to 6:00 p.m. on Business Days.

"Business Center" means all of the improved and unimproved real property described by metes and bounds in Exhibit A to the Declaration, together with all other real property which is now, or may hereafter become, subject to the Declaration, together with any and all buildings, structures and improvements now or hereafter constructed thereon and together with any appurtenances thereto.

"By-Laws" means the Bylaws of the Association, as the same may be amended from time to time.

"City" means the Township of Ewing, Mercer County, New Jersey and/or any other municipality having jurisdiction over the Property, and any successor thereto.

"Common Areas" is defined in and/or determined pursuant to, the Declaration.

"Common Elements" is defined in and/or determined pursuant to, the Declaration.

"Common Facilities" is defined in and/or determined pursuant to, the Declaration.

"Condemnation" (or to "Condemn") means any and every taking (temporary or permanent) for any public or quasi-public purpose, by any Government Entity by exercise of condemnation or eminent domain (or any transfer or conveyance by agreement in lieu thereof).

"Damage" means any and all damage or destruction resulting from fire, flood or other casualty.

"Declarant" is defined in the Declaration, and includes the Declarants successors and assigns.

"Declaration" means the "Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Princeton Crossroads at Ewing" dated June 6, 1988, and recorded on June 7, 1988 in Book 2445, Page 654 et seq. of the records of the Mercer County Clerks Office, as amended, modified and/or supplemented from time to time.

"Decorations" shall mean any and all floor coverings, objects of art, wall and ceiling coverings, and other similar decorative items undertaken or installed by Tenant in the Premises.

"Employee" means an officer, director or employee.

"Fees-And-Costs" means the reasonable fees, charges, disbursements and expenses of attorneys, architects, engineers, expert witnesses, contractors, consultants and other Persons.

"force majeure" means the occurrence of any event which is beyond the reasonable control of Landlord or Tenant, as the case may be, including, without limitation, the inability to obtain building permits or other approvals from a Government Entity on a timely basis, unavailability of building materials, strikes and labor

disruptions, unusual weather conditions, Acts of God, Acts of War, building moratoriums, sewer moratoriums, earthquake, flood or other natural disaster.

"Government Entity" means the United States, the State, Mercer County, the City, and any and every other agency, department, commission, rule-making body, bureau, instrumentality and/or political subdivision of government of any kind whatsoever, now existing or hereafter created, now or hereafter having jurisdiction over the Property.

"Hazardous Substances" means any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic substance, or other similar term, by any federal, state or local environmental Legal Requirements. Substances or materials which are incorporated into generally available commercial products and which are required for the routine operation or maintenance of ordinary office machinery such as photocopiers, typewriters and microcomputers (for example, photocopier toner or ink, office equipment cleaning products and lubricating oil), shall not be deemed to be "Hazardous Substances" under this Lease so long as they are stored, used and disposed of by Tenant in compliance with all applicable Legal Requirements.

"Insurance Requirement" means any rule, regulation, code, or other requirement issued by any fire insurance rating bureau or any body having similar functions and/or any insurance company which has issued a policy of Required Insurance, as in effect from the date of this Lease through the Expiration Date.

"Interest Rate" means a rate per annum equal to the lesser of: (x) 2% above the so-called "base rate" or "prime rate" (the "Prime Rate") of Citibank, N.A., or any successor thereto, as publicly announced at its principal office from time to time (or, if such rate shall cease to be quoted by Citibank, N.A.; or any successor thereto, a publicly quoted referenced lending rate reasonably designated by Landlord which is comparable as an indicator of interest rates to the Prime Rate); or (y) the maximum rate of interest, if any, which Tenant may legally contract to pay in the State.

"Landlord's Affiliates" means: Landlord's Employees; and/or any Person affiliated with Landlord through common ownership of stock, partnership or other beneficial interests, or through common management or control and which is engaged in the performance of services relating to the development, construction, management and/or operation of the Business Center.

"Legal Proceeding" means every action, litigation, summary proceeding, arbitration, administrative proceeding, and other legal or equitable proceeding of any kind whatsoever.

"Legal Requirements" means each and every law, rule, regulation, order, ordinance, statute, requirement, code, or executive mandate of any kind whatsoever, present or future, issued by any Government Entity applicable to or affecting the Property.

"Lien" means any and every lien or charge of any kind whatsoever for the furnishing (or alleged furnishing) of (or on account of) labor, materials, services, facilities, or any other things whatsoever.

"Managing Agent" means R.C. Reinhold Co. or any other managing agent of the Property, as designated by Landlord from time to time, together with its successors and assigns. The Managing Agent may be Landlord or a Landlord Affiliate.

"Operating Year" means each calendar year, or portion thereof, which includes any part of the Term.

"Person" means an individual person, corporation, partnership, trust, joint venture, proprietorship, estate or other incorporated or unincorporated enterprise, entity, or organization of any kind whatsoever.

"Premises" is defined in Section 1.1.

"Property" means, collectively, the Land and the Building and every part or portion thereof and all appurtenances thereto.

"Property Employees" means all Employees of Landlord and other personnel who are directly involved with the operation, management, maintenance and repair of the Property.

"Rent" or "Rents" means, collectively, Fixed Rent and Additional Rent.

"Restoration" (or "Restore") means and includes any and all repairs, restorations, rebuilding, reconstruction and replacements of every kind.

"Senior Encumbrance" means any, some or all of the following, as the context requires: (w) the Declaration; (x) the By-Laws; (y) any and every Mortgage (as defined in the Declaration) now a lien, or hereafter

becoming a lien, upon the Land and/or the Building; and (z) any ground or underlying lease presently or hereafter in effect between Landlord, as lessee or tenant, and any owner of the Land and/or the Building.

"State" means the State of New Jersey and any subdivision, agency or instrumentality thereof.

"Tax Year" means each twelve (12) month period (or any portion thereof) occurring during the Term commencing on January 1 and expiring on December 31 of each calendar year or such other period as may be adopted as the fiscal year for real estate tax purposes by the City, from time to time.

"Tenant's Affiliates" means: Tenant's Employees; and/or any Person affiliated with Tenant through common ownership of stock, partnership or other beneficial interests or through common management and control.

Assessments, Expenses and Taxes

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

\*Annual Assessment\* is defined in the Declaration.

\*Assessments\* means, collectively, the Annual Assessment and the Capital Improvement Assessment.

\*Capital Improvement Assessment\* is defined in the Declaration.

\*Expenses\* means all costs, fees and expenses and any taxes thereon, which Landlord pays or incurs in and for the operation, maintenance and repair of the Property, including all of the following: (a) Amortized Expenses (as defined hereinbelow); (b) water and water charges, water meter (if applicable) and steam and any other fuel or utilities; (c) the cost of electric current; (d) exterior wall and window cleaning and maintenance and all plaza, sidewalk, curb and other public area maintenance and cleaning; (e) landscaping, decoration and cleaning of grounds, sidewalks, parking lots, and other exterior areas of the Property; (f) rubbish and trash removal and recycling; (g) the purchase price or rental cost, as applicable, of all building and cleaning supplies, hand tools and materials; (h) fire, extended coverage, boiler and machinery, sprinkler apparatus, property damage, loss of rental, flood and plate glass, and other types of hazard insurance; public and other liability insurance; cost of fidelity bond premiums or insurance and any other insurance carried with respect to the Property which is reasonable and not excessive; (i) wages, salaries, bonuses, severance pay, vacation pay, overtime, disability benefits, hospitalization, medical, surgical, union and general welfare benefits, any pension, retirement or life insurance plan and other benefit or similar expense respecting Property Employees through the level of building manager; (j) worker's compensation insurance, payroll, social security, unemployment and other similar taxes with respect to such Property Employees; (k) expenses imposed on the Landlord pursuant to Legal Requirements or any collective bargaining agreement with respect to Property Employees which relate to the compensation, health, safety or welfare of Property Employees only; (l) uniforms and working clothes for Property Employees through the level of building manager, and cleaning and replacement thereof; (m) all Fees-And-Costs incurred in connection with the operation, maintenance and repair of the Property; (n) charges for independent contractors (including attorneys accountants and auditors) performing work included within the definition of Expenses; (o) cost of permits or licenses for the operation of the Property or any equipment located therein and required by any Government Entity or pursuant to any Legal Requirements; (p) maintenance costs and expenses, and ordinary repairs, replacements and improvements, which are necessary or appropriate for the continued operation of the Property; (q) reasonable management fees or, if Landlord itself renders customary management services, a sum in lieu thereof which is not in excess of the then prevailing rates for management fees in the county in which the Property is situated for office buildings similar to the Building; (r) blacktopping or other paving (or repaving) of parking areas, and painting or striping of such areas and snow removal from sidewalks and parking areas and from roofs and other areas of the Property. Any item of Expenses which may be properly categorized within one or more of the categories of Expenses shall be included only once, it being the intention of the parties that Landlord shall not be entitled to more than the aggregate of all sums paid or incurred with respect to such item of Expenses. In this Exhibit B-2, "Amortized Expenses" shall mean the annual amortization (on a straight-line basis over a depreciable life in accordance with generally accepted accounting principles consistently applied, with interest calculated at an annual rate of one (1) percentage point above the Prime Rate at the time of Landlord's or the Association's having made such expenditure) of expenditures paid or incurred by Landlord or the Association, or on behalf of Landlord or the Association, for any capital repairs, replacements and improvements which are (x) required by any Legal Requirements or Insurance Requirements hereafter enacted or established, or (y) designed as labor-saving or energy-saving measures or designed to effect other economies or efficiencies in the operation or maintenance of the Property or the Business Center to the extent of the actual savings realized in the corresponding Operating Year or (z) which consist of the replacement of one or more of the HVAC Units.

Both "Expenses" and "Assessments" shall exclude or have deducted from them, as the case may be, and as shall be appropriate: (aa) leasing commissions incurred in leasing or attempting to lease any part of the Building and advertising and promotional expenditures; (bb) executives' salaries and benefits above the grade of building manager; (cc) amounts received by Landlord or the Association as proceeds of insurance or claims against responsible parties to the extent the proceeds are compensation for expenses which were previously included in Expenses or Assessments hereunder; (dd) cost of restoring the Property or Business Center by reason of fire or other casualty or by reason of the exercise of the right of eminent domain; (ee) Costs-and-Fees incurred in connection with enforcing any obligations of other tenants of the Building; (ff) the defense of title to any part of the Business Center or Landlord's title to the Property; (gg) as a result of the negligence or tortious conduct of the Landlord, Landlord's Affiliates, the Property Employees or the Business Center Employees (such term to include all employees, officers and directors of the Association and other personnel who are directly involved with the operation, management, maintenance and repair of the Business Center); (hh) the cost of any alterations,

additions, changes, replacements, improvements and repairs and other items which are made in order to pre, are space for a new or renewing tenant, including for this purpose Landlord's Work; (ii) any item of Expense representing an amount paid to a related Person which is in excess of the amount which would have been paid in the absence of such relationship; (jj) all Taxes (together with any interest and penalties excluded from the definition of "Taxes"); (kk) ground rent and debt service; (ll) Costs-and-Fees incurred in the testing, survey, removal, containment, encapsulation or disposal of asbestos or other Hazardous Substances incorporated in the Building or on or under the Property or on, under or in any part of the Business Center; (mm) the costs, fines and penalties incurred as a result of Landlord's violation of any Legal Requirements; (nn) except as set forth in the definition of Amortized Expenses, all depreciation; (oo) any costs of repair or replacement of defective workmanship or materials in the construction of any part of the Building, or the Business Center; (pp) any cost which, in accordance with generally accepted accounting principles consistently applied should be capitalized other than Amortized Expenses; (qq) any reserve for repairs; (rr) the cost of the initial development, or any additional development of, the Property or the Business Center; (ss) franchise taxes or taxes imposed upon or measured by the income or profits of Landlord; (tt) principal and interest on any mortgage affecting the Property, the Building or any portion thereof (other than principal and interest on a loan for any expense which is properly treated as an Amortized Expense); and (uu) capital expenditures other than those properly treated as Amortized Expenses.

If during any Operating Year the tenant of any space in the Building undertook to perform work or services therein in lieu of having Landlord perform same and the cost thereof would have been included in Expenses if performed by Landlord, then "Expenses" for such Operating Year shall be deemed to include the amount that would reasonably have been incurred if Landlord had performed such work or services. Expenses for any year or portion thereof during which less than ninety percent (90%) of the rentable square feet of the Building is leased to tenants shall be increased to include an imputed cost for unoccupied portions of the Building in an amount equal to the additional Expenses (consisting solely of "variable" components of Expenses) which would reasonably have been incurred by Landlord had ninety percent (90%) of the rentable square feet of the Building been occupied by tenants during such period.

"Taxes" means the sum of all of the following:

- (a) real estate taxes and sewer rents, rates and charges;
- (b) general and special assessments for public improvements or benefits (provided, however, that assessments which may be paid in installments shall be limited to the amount of the installment due in respect of the Tax Year in question, together with any interest payable in connection therewith);
- (c) service charges, if any, assessed or imposed by any Government Entity with respect to police and fire protection, sanitation, security, or street maintenance and lighting; and
- (d) all Fees-And-Costs reasonably incurred by Landlord to contest (or defend against) any of the foregoing,

which are levied, assessed or imposed by the City, the County, the State, or any other Government Entity upon or with respect to the Building and/or the Land. "Taxes" shall not include Landlord's federal, state or local income taxes nor franchise, gift, transfer, excise, capital stock, estate, succession, inheritance, mortgage, corporation, partnership or any gross receipts or profits taxes and Landlord shall not be entitled to reimbursement for, any fines, penalties or interest paid or incurred by Landlord as a result of Landlord's late payment of Taxes, whether or not such late payment results from Landlord's failure to timely furnish Tenant with a written statement of any Tax Payment due in accordance with Article 5 of this Lease. (If, by reason of any change in the method of taxation or in the applicable Government Entity, a new or additional real estate tax, or a franchise, corporation, partnership, income, transit, gross receipts or profits tax or other tax or levy, fee or other governmental imposition, however designated, is levied against Landlord, the Premises and/or the Property in substitution in whole or in part for any item previously included in "Taxes", or in lieu of additional Taxes, such new, additional, or redesignated item shall be included in "Taxes" calculated on the basis that the Property is the only asset of Landlord and Landlord's only income is from the Property.)

Required Insurance

The following is Required Insurance under this Lease:

1. Commercial general liability insurance containing the so-called "occurrence" clause (which shall include specifically the Premises and all streets, alleys, vaults, and sidewalks appurtenant to the Premises) with coverage limits (including umbrella coverage) not less than:

- |                                      |             |
|--------------------------------------|-------------|
| (a) bodily each occurrence:          | \$3,000,000 |
| (b) property damage each occurrence: | \$3,000,000 |

subject to increases from time to time to coverage levels which are not in excess of those customarily maintained for similar properties; and

2. Insurance upon Tenant's property and fixtures which are not included in the basic construction of the Building or Landlord's Work in an amount equal to the full replacement value thereof, including any increase in value resulting from increased costs, with coverage against such perils and casualties as are commonly included in "all risk" insurance policies (including fire, extended coverage, breakage of glass, sprinkler leakage, explosion, collapse, vandalism and malicious mischief); and

3. Worker's compensation and employer's liability insurance:

- (i) statutory worker's compensation including occupational disease as required by Legal Requirements; and
- (ii) employer's liability insurance with minimum limits reasonably acceptable to Landlord (not less than \$500,000 in the aggregate).

Any other insurance coverages commercially available from time to time and reasonably requested by Landlord, which are then customarily obtained by tenants of properties similar to the Property.

Alterations Insurance

The following coverages, with the following minimum limits of coverage, are "Alterations Insurance" for purposes of Section 10.4:

Worker's compensation and employer's liability insurance:

statutory worker's compensation including occupational disease as required by Legal Requirements; and

employer's liability insurance with minimum limits reasonably acceptable to Landlord (not less than \$500,000).

Comprehensive commercial general liability insurance with limits of:

- |                                |             |
|--------------------------------|-------------|
| (i) bodily injury:             |             |
| each person                    | \$3,000,000 |
| each occurrence                | \$3,000,000 |
| aggregate completed operations | \$3,000,000 |
| (ii) property damage:          |             |
| each occurrence                | \$3,000,000 |

(iii) coverage shall include also:

(A) personal injury groups A, B, C with employee exclusion deleted.

(B) broad form property damage including all CU hazards.

(C) independent contractors.

(D) contractual liability.

(E) products liability and completed operations.

Comprehensive automobile liability, including all owned, not-owned and hired vehicles with a \$3,000,000 combined single limit.

Work AgreementSection 1. Landlord's and Tenant's Work

1.1 Landlord agrees to deliver the Premises to Tenant in "turn-key" condition by performing the work and furnishing the labor and materials described in, or required by plans and specifications prepared by Koenen & Associates and approved by Tenant and Landlord and which are developed from and consistent with the floor plan layout shown as Appendix 1 hereto ("Tenant's Plans and Specifications") (such work is hereinafter referred to as "Landlord's Work"). Within ten (10) days after Landlord's receipt of the Plans and Specifications prepared by Tenant, Landlord shall either approve or disapprove said Plans and Specifications, and if the same shall be disapproved in any respect, Landlord shall state with reasonable specificity the reasons for such disapproval. In case of any disapproval, Tenant shall cause its architect to make such changes to the Plans and Specifications as Landlord shall reasonably require and shall, as soon as practicable and no later than within five (5) days of Landlord's disapproval, resubmit same to Landlord for its approval. Within five (5) days after Landlord's receipt of the resubmitted Plans and Specifications, Landlord shall either approve or disapprove same. Landlord's approval of the Plans and Specifications shall not be unreasonably withheld provided they meet or exceed the standard of design, finishes, materials, capacities, labor and services which is adopted by Landlord as a standard for the Building. Landlord may substitute any materials or equipment for those required under Tenant's Plans and Specifications if those required prove to be unavailable or commercially impracticable to obtain, provided the substituted materials or equipment are comparable or better in quality and performance, and provided further that, with respect to any such substitution affecting finishes (e.g., color, design or aesthetics), Landlord shall first obtain the approval of Tenant thereto, which approval shall not be unreasonably withheld or delayed. Failure of Tenant to respond to Landlord's request for approval within two (2) Business Days following receipt of Landlord's request for approval shall constitute Tenant's approval to such request.

1.2. Landlord shall pay for the cost of Landlord's Work up to the sum of \$335,220 (representing \$20.00/RSF). If the cost of Landlord's Work shall exceed the sum of \$335,220, all costs of Landlord's Work in excess of \$335,220 shall be advanced by Landlord and repaid by Tenant in accordance with Sections 3.6 and 3.7 of the Lease.

1.3. Landlord covenants that all the construction conducted by Landlord (including all Landlord's Work and Extra Work) shall be done in a good and workmanlike manner using new materials in accordance with all applicable Legal Requirements. Landlord shall correct Landlord's Work and all Extra Work (as hereinafter defined) in which defects of materials, workmanship or design may appear during a one (1) year period subsequent to the Commencement Date, exclusive of latent defects in such work. Additionally, before the Commencement Date, the parties shall inspect the Premises, have all systems demonstrated, and prepare a punch-list. The punch-list shall list incomplete, minor, or insubstantial details of construction; necessary mechanical adjustments; and needed finishing touches. Landlord will complete the punch-list items as soon as possible thereafter, but in no event later than sixty (60) days after substantial completion of Landlord's work, subject to force majeure. All warranties and guarantees pertaining to any item of Landlord's Work or Extra Work (as hereinafter defined) received by Landlord shall be assigned, if permitted or otherwise made available, to Tenant during the Term to the extent such warranties and guarantees cover items for which Tenant is responsible under this Lease. Any reference to "punch-list work" shall refer to minor or insubstantial details of construction, decoration or mechanical equipment which do not interfere with the use or occupancy of the Premises except in an immaterial manner.

2. If Landlord agrees to perform, at Tenant's request, and upon submission by Tenant of necessary plans and specifications any work which is inconsistent with Tenant's Plans and Specifications or any additional or non-Building Standard Work over and above Landlord's Work, or any substitutions for any portion of Landlord's Work, whether the same is in substitution for any item of color, design, materials, finishes, capacities, labor or services and whether or not the foregoing shall be performed pursuant to a written change order ("Change Order") in the form appended hereto as Appendix 2 (all, any or some of the foregoing, "Extra Work"), said Extra Work shall be performed by Landlord, at Tenant's sole cost and expense. Prior to the issuance of a Change Order, if Tenant shall require any Extra Work, Tenant may demand and Landlord shall provide, within a reasonable time after the making of such demand, a non-binding, good faith estimate of (x) the cost of such Extra Work, (y) an estimate of any delay in the schedule for the performance of Landlord's Work which may result therefrom and (z) if then feasible the date on which the Commencement Date, as adjusted hereby, shall be deemed to occur. If Tenant shall demand such an estimate, Landlord shall not be required to perform any such Extra Work until the estimate has been approved by Tenant and a Change Order executed. If any Landlord's Work is required to be removed and replaced as a result of Extra Work, the cost of such removal and replacement shall be deemed part of such Extra Work which shall be added to the cost of any Change Order. Tenant agrees that

the foregoing payments shall be Additional Rent, and in default of payment thereof, Landlord shall (in addition to all other remedies) have the same rights as in the event of default of payment of Rent.

Section 2. Substantial Completion: Commencement Date.

2.1 "Substantially complete" or "substantial completion," when used with respect to Landlord's Work shall mean that Tenant can use the Premises for their intended purposes without material interference to Tenant conducting its ordinary business activities and the only incomplete items are minor or insubstantial details of construction, mechanical adjustments, or finishing touches like touch-up plastering or painting. If substantial completion of the Premises is delayed as a result of ~~force majeure~~ the time for performance by Landlord of its obligations hereunder shall be extended by an amount of time equal to such delay. If Landlord shall be delayed either in substantially completing Landlord's Work or otherwise in substantially completing the Premises as a result of any of the following (each a "Tenant Delay"):

- (i) Tenant's failure to supply, on a timely basis, necessary information or to correct or complete any incorrect or incomplete submissions;
- (ii) Tenant's request for materials, finishes or installations which are not Building Standard or are not readily available when Landlord, or Landlord's contractor, is ready to install same; and/or
- (iii) Tenant's changes in Plans and Specifications or other drawings, plans or specifications previously submitted to or approved by Landlord;

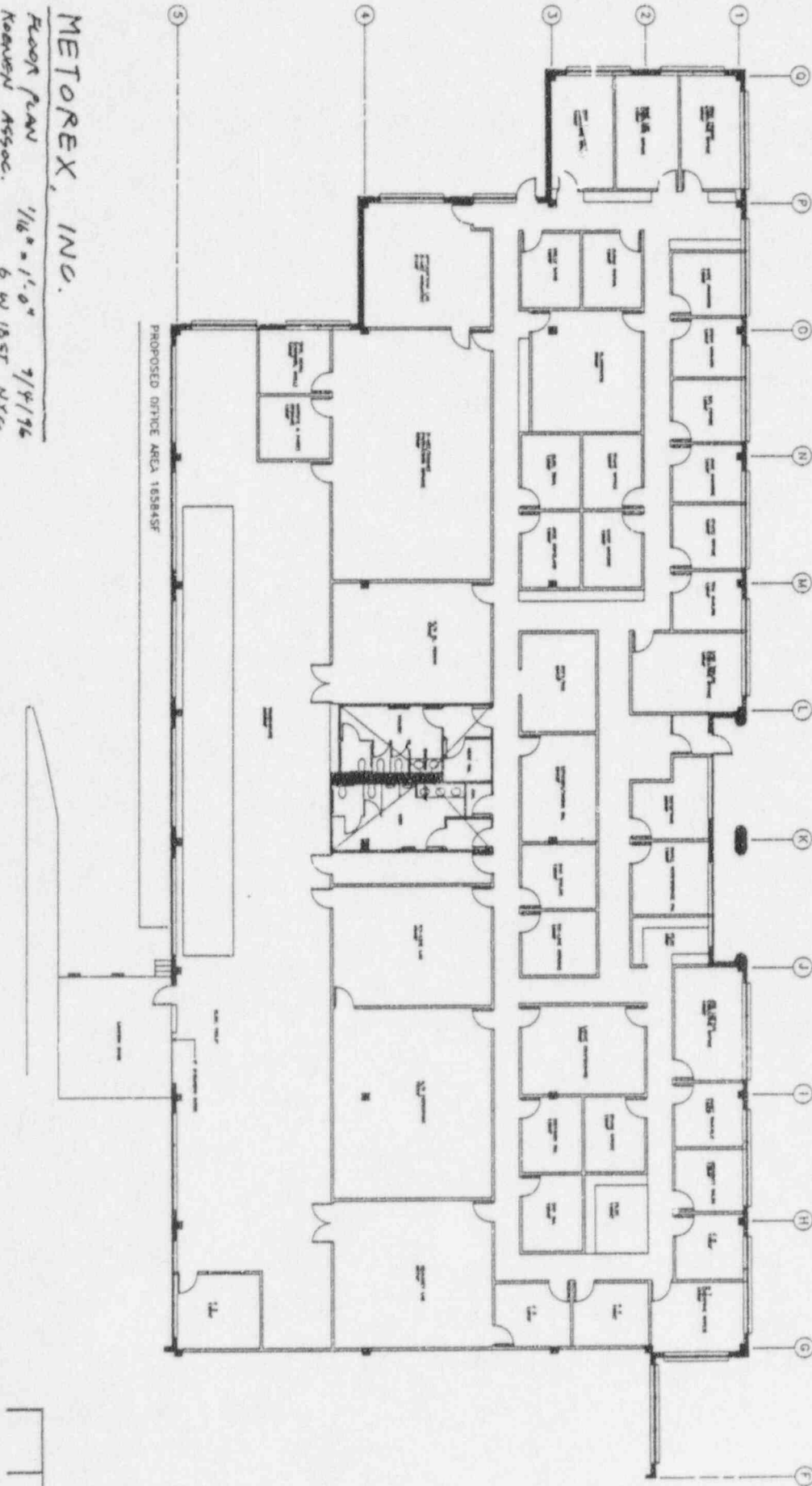
then the Commencement Date, as provided in Section 1.1 of the Lease, shall be deemed to occur on the date (in Landlord's reasonable judgment) when Landlord's Work ~~would have been~~ substantially completed but for any Tenant Delays under this Section.

2.2. Any entry by Tenant or Tenant's Employees on the Premises prior to the Commencement Date shall be subject to Landlord's approval and shall be deemed to be under all of the terms, covenants, provisions and conditions of this Lease; except that Tenant may enter the Premises to inspect Landlord's Work upon twenty-four (24) hours prior written notice to Landlord at such times as shall, in Landlord's reasonable opinion, not interfere with the progress of Landlord's Work. Tenant shall indemnify and hold Landlord harmless from and against any claims, delays, damages or other expenses paid or incurred by Landlord which result from Tenant's use of non-union labor with respect to the performance of any work in the Property or jurisdictional disputes relating thereto. Landlord shall not be liable in any way for any injury, loss or damage which may occur to any of Tenant's property, fixtures, decorations or installations made or installed by Tenant prior to the Commencement Date, the same being made or installed solely at Tenant's risk.

2.3. Promptly following the execution of this Lease, Landlord shall commence and prosecute to completion the construction of Landlord's Work. Landlord shall advise Tenant of the estimated date of substantial completion and delivery of the Premises to Tenant. Upon the Commencement Date, Landlord shall deliver physical possession of the Premises to Tenant reserving the right to enter upon the Premises in order to complete the "punch list" and all other corrective work. Landlord currently anticipates that the Landlord's Work will be substantially completed on or before December 1, 1996.

TENANT'S PLANS AND SPECIFICATIONS

METOREX, INC.  
 Floor Plan 1/8" = 1'-0" 7/4/76  
 KENNETH ASSOC. 6 W 18 ST NYC.



FORM OF  
TENANT  
CHANGE ORDER

Distribution to:

OWNER \_\_\_\_\_  
 ARCHITECT \_\_\_\_\_  
 CONTRACTOR \_\_\_\_\_  
 FIELD \_\_\_\_\_  
 [TENANT] \_\_\_\_\_

PROJECT: \_\_\_\_\_ CHANGE ORDER NUMBER: \_\_\_\_\_  
 HORIZON CENTER  
 Lot \_\_\_\_\_, Section \_\_\_\_\_  
 [Hamilton Township/  
 \_\_\_\_\_]

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

TO CONTRACTOR: \_\_\_\_\_ ARCHITECT'S PROJECT NO.: \_\_\_\_\_  
 \_\_\_\_\_ CONTRACT FOR: \_\_\_\_\_  
 \_\_\_\_\_ CONTRACT DATE: \_\_\_\_\_

You are directed to make the following changes in this Contract:

Not valid until signed by the Owner, Architect and Tenant. Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract time.

The original Contract Sum was ..... \$  
 Net change by previously authorized Change Orders ..... \$  
 The Contract Sum will be (increased) (decreased)  
 (unchanged) by this Change Order ..... \$  
 The new Contract Sum including this Change Order  
 will be ..... \$  
 The Contract Time will be (increased) (decreased)  
 (unchanged) by ..... () Days.

Authorized: \_\_\_\_\_

\_\_\_\_\_  
OWNER

\_\_\_\_\_  
Address  
\_\_\_\_\_

BY: \_\_\_\_\_

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

\_\_\_\_\_  
CONTRACTOR

\_\_\_\_\_  
Address  
\_\_\_\_\_

BY: \_\_\_\_\_

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

\_\_\_\_\_  
ARCHITECT

\_\_\_\_\_  
Address  
\_\_\_\_\_

BY: \_\_\_\_\_

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

\_\_\_\_\_  
TENANT

\_\_\_\_\_  
Address  
\_\_\_\_\_

BY: \_\_\_\_\_

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

LETTER OF CREDIT

TRAFALGAR HOUSE PROPERTY INC.  
c/o Jones Lang Wootton USA  
One Battery Park Place  
New York, New York 10004

ISSUE DATE: August , 1996

EXPIRATION DATE:

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR ACCOUNT OF METOREX, INC., UP TO AN AGGREGATE AMOUNT OF ONE HUNDRED FORTY-SEVEN THOUSAND U.S. DOLLARS----- (US \$147,000.00)----- THE AMOUNT DRAWABLE HEREUNDER SHALL BE REDUCED ON DECEMBER 1 OF EACH YEAR BEGINNING ON DECEMBER 1, 1999 BY THE SUM OF \$18,857.14. AVAILABLE BY YOUR SIGHT DRAFT(S) DRAWN ON [BANK/ADDRESS]. ACCOMPANIED BY: YOUR STATEMENT PURPORTEDLY SIGNED BY A DULY AUTHORIZED OFFICER (INDICATING NAME AND TITLE) AS FOLLOWS:

"WE HEREBY CERTIFY THAT THE AMOUNT OF THIS DRAWING REPRESENTS FUNDS DUE AND PAYABLE BY METOREX, INC. UNDER A CERTAIN LEASE DATED AS OF AUGUST \_\_, 1996 BETWEEN TRAFALGAR HOUSE PROPERTY, INC. AS 'LANDLORD', AND METOREX, INC., AS 'TENANT'."

ADDITIONALLY, YOU SHALL HAVE THE RIGHT, WITHIN THIRTY (30) DAYS PRIOR TO THE DATE ON WHICH THIS LETTER OF CREDIT SHALL EXPIRE, TO DRAW ON US THE FULL AMOUNT OF THIS LETTER OF CREDIT BY YOUR SIGHT DRAFT, ACCOMPANIED BY YOUR SIGNED WRITTEN STATEMENT THAT YOU ARE DRAWING UNDER LETTER OF CREDIT NO. \_\_\_\_\_ BECAUSE METOREX, INC., OR ITS SUCCESSOR OR ASSIGN, HAS FAILED TO DELIVER AN AMENDMENT TO THE LETTER OF CREDIT OR A SUBSTITUTE LETTER OF CREDIT, IN EITHER CASE EXTENDING THE TERM FOR A PERIOD OF NOT LESS THAN ONE (1) YEAR FROM THE EXPIRATION DATE. ALL DRAFTS DRAWN UNDER THIS LETTER OF CREDIT MUST BE MARKED:

"DRAWN UNDER [NAME OF BANK], CREDIT NO. \_\_\_\_\_ DATED AUGUST \_\_, 1996", AND ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT FOR PROPER ENDORSEMENT.

THIS LETTER OF CREDIT MAY BE TRANSFERRED TO ANY TRANSFEREE OF THE INTEREST OF THE LANDLORD UNDER THE LEASE DATED AS OF AUGUST \_\_, 1996 BETWEEN TRAFALGAR HOUSE PROPERTY, INC. AS 'LANDLORD', AND METOREX, INC. AS TENANT. THIS LETTER OF

CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENTS, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO, OR TO WHICH THIS LETTER OF CREDIT RELATES, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT.

WE HEREBY ENGAGE WITH YOU THAT THE DRAFTS DRAWN AND PRESENTED STRICTLY IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED BY US IF PRESENTED AT OUR OFFICE LOCATED AT [ADDRESS] ATTN: LETTER OF CREDIT DEPARTMENT.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDITS (1983 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION 400.

VERY TRULY YOURS,  
[NAME OF BANK]

\_\_\_\_\_  
A DULY AUTHORIZED OFFICER

030-34246/030-34247

20 September 1996

Administrator  
United States Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, PA 19406

Regarding: Relocation of our offices from Pennsylvania to  
New Jersey  
Metorex Inc. License Nos.: 37-28461-01, 37-28461-02G

Dear Sir:

On September 17, 1996, I wrote your office and requested amendments to our licenses due to the pending relocation of our offices (copy of letter attached). At that time, I was uninformed as to the fee structure for such amendments; however, I now have that fee information and checks for the appropriate amounts are enclosed. Should you have any questions regarding this matter and/or required additional information, please do not hesitate to contact me.

Sincerely

*Joseph P. Loftus*  
Joseph P. Loftus  
President

cc: S. Piorek, Metorex  
B. Brown, NRC

attachments

OFFICIAL RECORD COPY

ML 10

123704 / 123705

SEP 23 1996

METOREX INC.

Street address  
860 Town Center Drive  
Langhorne, PA 19047

Telephone  
1-215-741-4482

Telex  
1-215 741-6385

LICENSE FEE MANAGEMENT BRANCH, ARM  
AND  
REGIONAL LICENSING SECTIONS

DECOM FIN ASSUR REQD:

(Also see 123706, 123705 +  
123707)