

ATTACHMENT D

Lease Template

LEASE AGREEMENT

Dated _____, 2026

between

BOARD OF EDUCATION OF MONTGOMERY COUNTY

LANDLORD

And

TENANT

for

the Premises located at

Grosvenor Center Holding Facility
5701 Grosvenor Lane
Bethesda, MD 20814
Montgomery County, Maryland

ARTICLE 1 Basic Lease Provisions	3
ARTICLE 2 Definitions	5
ARTICLE 3 The Premises	6
ARTICLE 4 Early Termination	6
ARTICLE 5 Rent	7
ARTICLE 6 Late Fee	7
ARTICLE 7 Parking	8
ARTICLE 8 Use	8
ARTICLE 9 Assignment and Subletting	8
ARTICLE 10 Maintenance and Repair; Operation of Premises	9
ARTICLE 11 Alterations	10
ARTICLE 12 Mechanics Liens	11
ARTICLE 13 Responsibilities of Tenant	11
ARTICLE 14 Tenant's Equipment and Property	14
ARTICLE 15 Right of Entry	15
ARTICLE 16 Insurance	15
ARTICLE 17 Utilities	16
ARTICLE 18 Liability	17
ARTICLE 19 Damage and Condemnation	17
ARTICLE 20 Default	19
ARTICLE 21 Disputes	20
ARTICLE 22 Surrender; Holding Over; Prorations	21
ARTICLE 23 Quiet Enjoyment	21
ARTICLE 24 Tenant's Covenants Regarding Hazardous Materials	21
ARTICLE 25 Miscellaneous	24

LEASE EXHIBITS

[Will be attached to executed leases]

- A. Premises
- B. Parking
- C. Board Policy EBA-RA, "Fire Safety"
- D. Board Policy ECA and "Heat-Producing Appliances in School Buildings"
- E. MCPS Regulation ACG-RC, "Service Animals in Schools"
- F. MCPS Regulation ECF-RC, "Recycling"
- G. MCPS Regulation ECF-RB, "Pesticide Use in Schools"

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made this _____ day of _____, 2026, by and between the BOARD OF EDUCATION OF MONTGOMERY COUNTY (the "Board"), governing body of MONTGOMERY COUNTY PUBLIC SCHOOLS (MCPS) (collectively, the "Landlord") and _____, [corporate entity type] ("Tenant").

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant, intending legally to be bound, hereby covenant and agree as set forth below.

ARTICLE 1 Basic Lease Provisions

1.01 Premises. Landlord does hereby lease to Tenant that certain premises described as all or a portion of the _____, located at _____, _____, Maryland _____ (the "Building") containing approximately _____ square feet, as shown and depicted on Exhibit A attached hereto and incorporated herein by reference (the "Premises"). The rentable area of the Premises shall be confirmed by measuring the usable square feet within the interior faces of exterior walls of the rooms comprising the Premises. The use and occupation by Tenant of the Premises shall include the use of the existing walkways, halls, corridors, and entrances, parking lot facilities, driveways, and the outdoor play area ("Common Areas").

1.02 Commencement Date. _____, 2026.

1.03 Termination Date. Unless extended pursuant to Article 1.07 below, the date that is _____ () years after the Commencement Date.

1.04 Term. The Term shall commence on the Commencement Date and expire at 11:59:59 p.m. on the Termination Date unless extended pursuant to Article 1.07 below.

1.05 Base Rent. Base Rent shall be _____ Dollars (\$) for the first year of the Term; payable in twelve (12) monthly installments of _____ Dollars (\$) each.

1.06 Base Rental Adjustments. Tenant's Base Rent shall be adjusted commencing _____ 1, 20____, and each year thereafter by no less than three percent (3%) above the previous year's rent.

1.07 Renewal Option. Provided that the Premises are available and not scheduled for use by MCPS and the Tenant is in good standing, there is no current Event of Default under the Lease, and the Tenant has not had rent arrearages in the previous six months, Landlord hereby grants to Tenant, subject to approval by the Board, _____ () renewal terms (each a "Renewal Term") of twelve (12) months each on the same terms and conditions of the current Term, unless otherwise modified. If Tenant desires to exercise a Renewal Option, Tenant shall

provide Landlord with written notice that Tenant intends to renew the Lease not less than six (6) months prior to the expiration of the then-current Term. Thereafter, Landlord shall promptly seek approval from the Board and advise Tenant whether the Renewal Term has been accepted by the Board. Renewal shall be in the form of a lease amendment duly executed by the Landlord and Tenant. Notwithstanding anything to the contrary in this Article 1.07, the Landlord and the Tenant shall not renew the Term if the Premises is needed for an approved capital project in the Landlord's Capital Improvements Program or for another public use as determined by the Board.

1.08 Security Deposit. Simultaneously with execution of this Lease by Tenant, Tenant shall deposit with Landlord the sum of _____ Dollars (\$_____) (the "Security Deposit"). Landlord will place the Security Deposit in a non-interest bearing account and shall return the Security Deposit thirty (30) days after the termination of the Lease, less any charges for damages and expenses. Landlord reserves the right to apply the Security Deposit in whole or in part, to any overdue arrearages incurred by the Tenant for nonpayment of Rent, any costs incurred by Landlord to perform repairs to the Premises or the Building due to damage caused by Tenant or to remove Tenant improvements at the end of the Lease, any loss or damage sustained by Landlord due to Tenant's failure to perform any terms of the Lease, or any other sums due to Landlord pursuant to this Lease. Upon demand of the Landlord, Tenant shall forthwith restore the Security Deposit to the original sum deposited.

1.09 Tenant's Proportionate Share. Tenant's Proportionate Share shall equal a fraction, the numerator of which is the rentable square footage of the Premises and the denominator of which is the rentable square footage of all space in the Building. As of the Commencement Date, Tenant's Proportionate Share equals ____%.

1.10 Permitted Use. Tenant shall be permitted to use the Premises as a _____ and those activities related to such services. Tenant shall use the Premises Monday through Friday, during the hours of 8:30 a.m. until 5:00 p.m. ("School Hours"). Occasional use after School Hours and on weekends ("Occasional Use Hours") is permitted, provided that scheduling is coordinated with the Interagency Coordinating Board for Community Use of Public Facilities and Services (ICB). Landlord shall not provide building services staff during Occasional Use Hours unless coordinated with ICB. Tenant also may use certain Common Areas of the Building shared with Landlord, user groups permitted by ICB, and the general public as provided in Landlord's policies and regulations. Common Areas permitted for use by Tenant are designated on Exhibit A.

1.11 Landlord's Address.

Montgomery County Public Schools
Division of Facilities Management
45 West Gude Drive, Suite 4000
Rockville, Maryland 20850
Attention: Deputy Chief

With a copy to:

Montgomery County Public Schools

Office of General Counsel
15 West. Gude Drive, Suite 400
Rockville, Maryland 20850
Attention: Division of Legal Services

1.12 Tenant's Address.

With a copy to:

ARTICLE 2
Definitions

The following terms, when used herein, shall have the meanings set forth below.

2.01 Additional Rent. As defined in Article 5.03.

2.02 Affiliate. Any successor to Tenant upon merger, reorganization or consolidation and any other entity now or hereafter that (i) controls Tenant or any successor to Tenant, (ii) is controlled by Tenant or any successor to Tenant, or (iii) is controlled by the same entity that controls Tenant or any successor to Tenant. References to Tenant in this Lease shall include any Affiliate of the Tenant.

2.03 Agents and Related Parties. Officers, partners, directors, employees, agents, licensees, patrons, contractors, subcontractors, students, students' family members, volunteers, and invitees.

2.04 Alterations. Alterations, decorations, additions or improvements of any kind or nature to the Premises, whether structural or non-structural, interior, exterior, or otherwise, that are made by Tenant or its Agents and Related Parties on or after the Commencement Date.

2.05 Event of Default. As defined in Article 20.

2.06 Herein, hereafter, hereunder, and hereof. Under this Lease, including all Exhibits.

2.07 Land. The parcel of land containing the Premises and the Building subject to all rights, easements, and appurtenances thereunto belonging or pertaining.

2.08 Laws. All statutes, ordinances, policies, rules, orders, procedures, and regulations now in effect or hereinafter promulgated whether required by the Federal government, the State of Maryland, Montgomery County, and any other public or quasi-public federal, state, or local authority having jurisdiction over the Premises, including, but not limited to, the Americans with Disabilities Act.

Article 1.1 Lease Year. The first Lease Year shall begin on the Commencement Date and shall run for a period of twelve (12) months thereafter.

2.09 Rent. Base Rent and Additional Rent.

2.10 Substantial Part. More than fifty percent (50%) of the rentable square footage of the Premises.

ARTICLE 3 The Premises

3.01 Lease of Premises. In consideration of the agreements contained herein, Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, for the Term and upon the terms and conditions hereinafter provided.

3.02 Acceptance of the Premises. At the commencement of the Term hereunder, except as otherwise provided herein, Tenant shall occupy the Premises in their "as is" condition, and Landlord shall not be required to make any repairs or improvements to the Premises other than as agreed to in advance by Landlord in writing or as set forth elsewhere herein. Tenant shall provide its own furniture, fixtures, and equipment. Notwithstanding the foregoing, the Premises shall be delivered to Tenant in a broom clean condition, free of any personal property or debris.

ARTICLE 4 Early Termination

4.01 Landlord's Termination Option. Landlord has the right to terminate this Lease early for the following reasons:

- (a) An Event of Default as described in Article 20.01 which remains uncured;
- (b) The Premises is needed for an approved capital project in the MCPS Capital Improvements Program before the current Term expires;
- (c) Another public use is identified as determined by the Board;
- (d) The property is needed to meet requirements of environmental conservation regulations; or
- (e) The Land is declared surplus by the Board because it is no longer needed for school purposes.
- (f) At the Landlord's sole discretion with adequate notice to Tenant.

(g) A change in hazardous material regulations or other circumstance resulting in the need for a substantial hazardous materials remediation.

4.02 Landlord shall have the right to terminate this Lease early as set forth above in its sole discretion. Notice provisions set forth in Article 20 shall apply to early termination of this Lease under Article 4.01(a). For early termination based on Articles 4.01(b) – 4.01(f) above, Landlord may terminate this Lease upon not less than one hundred twenty (120) days prior written notice to Tenant. Notice provisions set forth in Article 24.04 shall apply to early termination of this Lease under Article 4.01(g).

4.03 Tenant's Termination Option. The Tenant has the right to terminate this Lease early for any reason, at any time and at no cost to the Tenant, if the Tenant determines that termination of this Lease is in its best interest. Such termination shall be effective on the later to occur of (i) one (1) year after delivery of written notice, or (ii) a date mutually agreed to by the Parties in writing.

ARTICLE 5 Rent

5.01 Base Rent. Base Rent shall be as specified in Article 1.05.

5.02 Payment of Base Rent. Base Rent shall be paid monthly on the first day of each month during the Term. Each monthly installment shall be made payable to Montgomery County Public Schools, and delivered to the Division of Controller, 45 West Gude Drive, Suite 3202, Rockville, Maryland, 20850.

5.03 Additional Rent; Payment of Additional Rent. All sums payable by Tenant under this Lease, other than Base Rent, shall be deemed "Additional Rent", and, unless otherwise set forth herein, shall be payable monthly on the first day of each month during the Term, without demand, notice, deduction, offset, or counterclaim except as expressly provided in this Lease. Landlord may charge Additional Rent to offset its increased operating expenses as set forth in Article 10.1. Each monthly installment of Additional Rent (if any) shall be made payable to Montgomery County Public Schools, and delivered to the Division of Controller, 45 West Gude Drive, Suite 3200, Rockville, Maryland, 20850.

ARTICLE 6 Late Fee

6.01 Late Fee. In the event the Tenant fails to make any payment required by Article 5 of this Lease within five (5) days of the due date, Tenant shall pay to Landlord the installment amount plus five percent (5%) of the installment amount as a late fee.

6.02 Payment. As further inducement for the Landlord to lease the Premises to the Tenant, the Tenant, its executors, legal representatives, and assigns, agree to indemnify and hold harmless the Landlord and its Agents and Related Parties from and against judgments, costs, interest, and expenses (including but not limited to reasonable attorneys' fees and court costs) to which they become subject or otherwise arising out of the Tenant's failure to make any payment required under Article 5 of this Lease.

ARTICLE 7

Parking

7.01 Parking. During the Term, Tenant and its Agents and Related Parties shall have the non-exclusive right to use _____ existing improved parking spaces servicing the Building during School Hours and Occasional Use Hours. The parking spaces are designated in the attached Exhibit B. If circumstances arise that require Tenant to seek additional parking spaces, Landlord and Tenant shall use good-faith efforts to reach a mutually acceptable accommodation. It is understood and agreed that the Landlord and its Agents and Related Parties do not assume any responsibility for, and shall not be held liable for, any damage or loss to any automobiles parked in the parking area or for any personal property located therein, or for any injury sustained by any person in or about the parking area.

ARTICLE 8

Use

8.01 Tenant shall occupy the Premises solely for the Permitted Use. Tenant shall maintain in full force and effect all licenses and permits required for Tenant to operate its business on the Premises lawfully. Tenant shall not use or occupy the Premises in any manner that is unlawful or dangerous or that shall constitute waste.

ARTICLE 9

Assignment and Subletting

9.01 Consent Required. Tenant shall not assign, sublease, transfer, mortgage, or otherwise encumber this Lease (or permit a third party to occupy or use) the Premises or any part thereof, without Landlord's prior written consent (which consent shall be determined by Landlord in its sole discretion), nor shall any assignment or transfer of this Lease or the right of occupancy hereunder be affected by operation of law or otherwise. Any assignment, sublease, transfer, mortgage, or encumbrance without Landlord's prior written consent (which consent shall be determined by Landlord in its sole discretion) shall be voidable by Landlord and may be deemed an Event of Default. Tenant shall not sell or transfer its business to any other entity without prior written consent from the Landlord, in the Landlord's sole discretion. Any sale or transfer of Tenant's business without Landlord's prior written consent shall make this Lease voidable and deemed an Event of Default.

9.02 Tenant to Remain Liable. If, pursuant to Article 9.01, an assignment, sublease, transfer, mortgage, encumbrance, or sale is permitted with Landlord's prior written consent, Tenant shall remain liable under this Lease. Neither the consent by Landlord to any assignment, sublease, transfer, mortgage, encumbrance, or sale nor the collection or acceptance by Landlord of Rent from any assignee, subtenant, occupant, or other party shall be construed as a waiver or release of the initial Tenant from the terms and conditions of this Lease or relieve Tenant or any assignee, subtenant, occupant or other party from obtaining the consent in writing of Landlord to any further assignment, sublease, mortgage, transfer, encumbrance, or sale.

ARTICLE 10
Maintenance and Repair; Operation of Premises

10.01 Landlord's Operating Expenses: Utilities and Building Systems. It is the purpose and intent of Landlord and Tenant that the Base Rent paid to Landlord includes Tenant's Proportionate Share of the Building's operating expenses which includes costs and expenses for utilities (except for those set forth in Article 10.2 below). Landlord retains the right to impose additional assessments to offset increases in energy costs and water/sewer fees, or similar expenses. Such assessments shall be based on increased costs incurred by Landlord during the previous twelve-month period, shall be deemed as "Additional Rent" and shall be imposed only after Landlord has given Tenant at least thirty (30) days written notice of the assessments before they become effective as an amendment to the Lease.

(a) Notwithstanding anything to the contrary, Landlord, at its sole cost and expense, shall be responsible for the maintenance, repair, replacement, and all service contracts for the following (collectively, the "Building Systems"): elevators (if present), central plant HVAC systems, roof, potable hot water systems, security systems, fire alarm systems and emergency power systems. Landlord shall maintain such Building Systems in accordance with applicable law and prudent industry standards.

(b) Landlord will also be responsible for mowing MCPS-owned fields beyond 50 feet from the building and plowing the facility's parking lot(s), not to supersede mowing and plowing needs at MCPS schools.

(c) If, for budgetary reasons, the Board's funding authority does not appropriate or allocate sufficient funds to provide any or all Tenant's services identified in this Lease, Tenant may obtain or provide its own services subject to prior written approval by the Division of Facilities Management Deputy Chief or designee and obtain a corresponding reduction in the rental fees as appropriate. These services must meet standards and requirements established by the Deputy Chief of the Division of Facilities Management.

10.02 Tenant's Operating Expenses. Tenant shall keep the Premises in a clean and sanitary condition and shall be responsible for ordinary maintenance costs, defined as normal maintenance. Normal maintenance includes interior maintenance and janitorial services, maintenance and supply of cleaning and bathroom supplies, refuse removal, snow and ice removal from all sidewalks, operation of the Building alarm system, external Building maintenance, lawn mowing and landscaping within approximately 50 feet of the building, not including fields mentioned in 10.01, (c).

(a) Tenant shall be responsible for all costs and expenses connected with its everyday business operation including, but not limited to: (i) telephone and internet services, (ii) drinking water, (iii) additional security equipment or services, such as card readers, cameras, door buzzers, or electronic locks, (iv) renter's insurance covering liability, casualties, and personal property, (v) license fees, (vi) personnel and payroll taxes, (vii) and any and all maintenance and repairs resulting from the negligent acts or omissions of Tenant or its Agents and Related Parties (which maintenance and repairs shall be performed at Tenant's sole cost and expense). Tenant understands that the water distribution system in the Building is non-potable and agrees to contract

with a water service provider at its sole cost and expense to ensure the availability of adequate drinking water on the Premises.

(b) Tenant, at its expense, shall operate and maintain all parts of the entire premises, in the condition thereof as of the Commencement Date and in compliance with all laws, promptly making all reasonably necessary repairs and replacements; provided, however, Tenant shall have no obligation with respect to the Building Systems (as defined above).

(c) Tenant shall be responsible only for non-structural elements and systems serving exclusively the Premises. Tenant shall be responsible for the cost of any repairs or replacements to portions of the Premises not constituting Building Systems up to a maximum of Ten Thousand Dollars (\$10,000) per occurrence. In the event such repair relates to Building Systems, such costs shall be the sole responsibility of Landlord. For repairs not involving Building Systems exceeding \$10,000, allocation shall be determined by good faith negotiation; provided Landlord contributions shall apply only to structural or shared components. This provision shall apply only to Building Systems; provided that responsibility for such Building Systems rests with Landlord, and Tenant shall not be required to fund or track such costs except for documentation purposes if requested.

(d) Tenant shall maintain service contracts at their expense only for systems and equipment not included in the Building Systems, including Tenant-installed systems and systems serving only their Premises, including but not limited to independent HVAC systems. Tenant shall maintain and service, at Tenant's sole expense, all systems and equipment that exclusively serve the Premises and are not designated as Building Systems, including all electrical, water, and HVAC distribution systems within the Premises. Tenant's obligations shall include independent HVAC units and any HVAC distribution equipment serving the Premises, regardless of whether conditioned air, heating, or cooling is provided through the Building's central plant system.

(e) Tenant agrees to take appropriate measures to conserve and efficiently use energy and other resources (i.e., heat, cooling, water and utilities). Tenant agrees to abide by Board standards, policies, rules and regulations for operating and maintaining schools.

(f) If Tenant conducts its program beyond hours described in Section 1, in the Leased Premises, or in areas of the building not described in Section 1 or Section 11, Tenant shall pay the approved fee of the Interagency Coordinating Board for Community Use of Public Facilities and Services (CUPF) for the hours such use is conducted.

(g) Should Tenant request and receive heating or air-conditioning beyond that provided for during Use Hours, the Tenant shall arrange such services through CUPF and pay the CUPF approved fees for the costs thereof.

(h) Tenant agrees to abide by emergency orders requiring that the school facility or school facilities and central offices be closed, including school closures for inclement weather, during which time no programs will operate in the facility.

ARTICLE 11

11.01 Capital Improvements. Tenant shall have no responsibility for capital replacement of Building Systems. Landlord shall be solely responsible for such capital repairs and replacements. If the need to rebuild or replace a major component of the Premises more than \$10,000 arises during the Lease Term, and the Landlord's funding authority does not appropriate or allocate sufficient funds for the capital improvement, Tenant may perform the work of the capital improvement at its sole cost and expense, subject to prior written approval by the Deputy Chief of the Division of Facilities Management or his/her designee. Tenant may obtain a corresponding reduction in Rent as appropriate, with a maximum credit each year allowed and the remaining rolled over to future years' credits, as determined by the Deputy Chief of the Division of Facilities Management. The capital improvement work must meet standards and requirements established by the Deputy Chief of the Division of Facilities Management and approved in writing by the Deputy Chief or his/her designee.

ARTICLE 12 Alterations

12.01 In determining whether to permit any Alterations, Landlord shall consider the impact of the Alterations on the surrounding community, and determine whether Tenant is required to remove any Alterations upon expiration or termination of the Lease or whether the Alterations should be kept for future school use. Tenant shall not make or permit any Alterations without prior written consent of the Deputy Chief of the Division of Facilities Management, such consent to be granted or withheld in the Deputy Chief's sole discretion. If consent is granted, Landlord shall impose the following conditions to its consent: (i) delivery to Landlord of written and unconditional waivers of mechanic's and materialmen's liens as to the Alterations upon completion for all work, labor, and services to be performed and materials to be furnished, signed by all contractors, sub-contractors, and materialmen participating in the Alterations and providing labor or materials in excess of \$5,000, (ii) prior approval of the plans, specifications, and Tenant's contractor(s) with respect to the Alterations, and (iii) any other conditions in Landlord's sole discretion.

12.02 Any Alterations made by or obtained by Tenant shall not be permitted if Landlord, in its sole discretion, determines that the Alterations would interfere with future use of the Premises for MCPS educational purposes.

12.03 Any Alterations made or obtained by Tenant are at Tenant's sole risk and expense, and the Landlord shall not be held responsible for any claims for injury or loss of property due to Alterations made by or for Tenant.

12.04 Tenant shall not be due any refund or payment of any kind from the Landlord for any Alterations to the Premises, code mandated or otherwise, made by or for the Tenant.

12.05 Tenant may be required upon the termination of the Lease to restore the Premises to the condition in which it was delivered to Tenant and remove any Alterations which was so designated in the written consent which was given to Tenant according to Article 11.01 above, less normal wear and tear. Tenant shall repair any damage caused by such removal to the Premises or the Building. In addition, Tenant shall repair or restore any damage to the Premises or the Building caused by Tenant, including any repairs or modifications necessary to maintain accessibility for

individuals with disabilities, as defined by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990. Any alterations or modifications to the Premises must comply with the applicable requirements of the American National Standards Institute (ANSI A117.1 - 2017) and Maryland Accessibility Code Guidelines for Buildings and Facilities, COMAR 09.12.53. If Tenant fails to restore the Premises as required herein within thirty (30) days after Landlord's notice, Landlord shall have the right to perform the restoration, in Landlord's sole discretion, and Tenant shall reimburse Landlord for Landlord's expenses thereof within ten (10) days after Landlord's written demand. Any such expenses incurred by Landlord shall be deemed Additional Rent.

12.06 All Alterations shall conform to the requirements of Landlord's and Tenant's insurers and of the federal, state, and local governments having jurisdiction over the Premises, shall be performed in accordance with the terms and provisions of this Lease in a good and workmanlike manner, and shall not adversely affect the value, utility, or character of the Premises.

12.07 As determined by the Deputy Chief of the Division of Facilities Management, any increased Building operating costs resulting from Alterations will be added to the Rent, and Tenant shall pay such costs as Additional Rent.

ARTICLE 13 Mechanics Liens

13.01 In the event that Tenant, with Landlord's prior written consent, shall undertake the construction of any Alterations or other such work upon the Premises, Tenant shall provide for the prompt payment of all applicable contractors, subcontractors, and materialmen. Should the Tenant fail to discharge any lien or judgment resulting from Tenant's failure to make prompt payment within fifteen (15) days of its filing against any part of the Premises, or Tenant's interest therein, Landlord shall have the right to require the Tenant to immediately post an indemnity bond from an insurance or bonding company acceptable to the Landlord, or alternatively, at Landlord's option, an irrevocable bank letter of credit from a federally-chartered commercial bank licensed to transact full banking services in Maryland and acceptable to the Landlord, either of which shall be in an amount equal to 150% of the amount of any such lien(s) or judgment(s). Upon Tenant's failure to provide said bond or letter of credit within fifteen (15) days of demand, Landlord may, in its sole discretion, pay the amount of any such lien(s) or judgment(s), and immediately collect same from the Tenant, as Additional Rent, within five (5) days of demand with interest accruing at two percent (2%) per annum above the "Prime Rate" as published by the Wall Street Journal as of the date such payment became due on such amounts, plus all costs and expenses, including reasonable attorneys' fees incurred by the Landlord in discharging said lien(s) or judgment(s). Neither Landlord's consent to any Alterations nor anything contained in this Lease shall be deemed to be the agreement or consent of Landlord to subject Landlord's interest in the Premises to any mechanic's or materialmen's liens.

ARTICLE 14 Responsibilities of Tenant

Tenant covenants and agrees as follows:

14.01 Tenant shall operate the Permitted Use at the Premises in accordance with Article 1.10 and Article 8 and is required to comply with all applicable safety and health regulations, including Maryland Occupational Safety and Health (MOSH) and fire code requirements.

14.02 Tenant shall not strip, overload, damage, or deface the Premises, and/or the Building, or the fixtures therein or used herewith, nor suffer or permit any waste in or upon the Premises or the Building.

14.03 Tenant shall not keep gasoline or other flammable material or any other explosive within the Premises and/or the Building which will increase the rate of fire insurance on the Building beyond the ordinary risk established for the type of operations described in Article 1.10 and Article 8 of this Lease. Any such increase in the insurance rate due to the above or due to Tenant's special operations carried on within the Premises, shall be borne by Tenant.

14.04 Tenant shall not do any act or thing in or about the Premises and/or the Building which makes void or voidable any insurance on the Premises or the Building, and Tenant expressly agrees to conform to all rules and regulations reasonably established from time to time by the Landlord, or by the Maryland Insurance Rating Bureau, or any public authority having jurisdiction over such matters.

14.05 Tenant shall not use the Premises, the Building, or any part thereof or allow them to be used for, any illegal, unlawful, or improper purpose, or for any activity which will constitute a nuisance to adjacent properties or the adjacent neighborhood.

14.06 Tenant shall prohibit the following activities in the Premises at all times:

- (a) Use or possession of alcoholic beverages or other intoxicants;
- (b) Smoking or use of tobacco products;
- (c) Gambling;
- (d) Fires, grilling, open flames, and the use of flammable materials (MCPS Regulation EBA-RA, *Fire Safety* (Exhibit C), must be adhered to). MCPS hand sanitizer requirements can be found at <https://www.montgomeryschoolsmd.org/departments/facilities/safety/firesafety/#hand>;
- (e) Parties and celebrations that are not connected with or ancillary to the Permitted Use and which are essentially private in nature, including but not limited to wedding receptions and other similar activities;
- (f) Use or possession of weapons, firearms, ammunition;
- (g) Use of corrosive chemicals, compressed gas cylinders, or pesticide products (tenant must comply with state integrated pest management law);
- (h) Use of e-bikes, e-scooters, and hoverboards;

- (i) Disposal of lithium-ion batteries on site;
- (j) Overnight or unattended charging of lithium-ion batteries (or continued charging a battery after it is fully charged);
- (k) Charging of electric vehicles;
- (l) Storage or charging of batteries in or near doorways, stairways, hallways, or building entrances or exits, storage or charging near combustible or flammable materials; charging must only occur with equipment that is compatible with the device and listed by a nationally recognized testing laboratory;
- (m) Bringing chemical products into the facility which are not approved for use at MCPS facilities (<https://www.montgomeryschoolsmd.org/departments/facilities/safety/chemicals/#apl>); and
- (n) Excessive noise.

14.07 Tenant shall not place upon the exterior of the Premises or the Building any placard, sign, lettering, banner, pennant, or awning except such, and in such place and manner, as shall have been first approved in writing by Landlord in accordance with any applicable Montgomery County zoning and sign requirements.

14.08 Tenant acknowledges that all responsibilities of Tenant relating to the use or misuse of the Premises, the Building, and anything therein shall be construed to include use or misuse thereof by Tenant's Agents and Related Parties.

14.09 Tenant and its Agents and Related Parties shall comply with all rules and regulations for the Building promulgated from time to time by the Landlord, and any violation of said rules and regulations shall be a violation of this Lease. MCPS policies and regulations are available for review at <http://www.montgomeryschoolsmd.org/departments/policy>.

14.10 Tenant shall actively participate in energy conservation strategies in compliance with the Landlord's Sustainability Policy, labeled ECA, and fire safety requirements, specifically Heat-Producing Appliances in School Buildings, both attached hereto and incorporated herein as Exhibits D and Exhibit D-1.

14.11 Tenant shall comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG), and applicable state and local accessibility regulations.

14.12 Tenant shall not have pets in or about the Premises. This provision does not limit the right of Tenant or its Agents and Related Parties to have bona fide service animals on the Premises in accordance with MCPS Regulation ACG-RC, attached hereto as Exhibit E. Tenant is solely responsible for the proper care of service animals in the Premises and the Building and for keeping the Premises and the Building clean and free of debris and waste associated with the care and feeding of service animals.

14.13 Landlord has implemented a regulation regarding recycling, labeled ECF-RC, attached hereto and incorporated herein as Exhibit F. Tenant agrees to comply with the recycling plan for the Premises by collecting recyclable waste material generated by its operation into appropriate receptacles provided by Tenant for this purpose and by providing for pick-up of recycling equal to the Landlord's service standards.

14.14 In the event that the Building is designated as an approved polling place, Tenant shall adhere to the requirements of the Montgomery County Board of Elections for the Building to operate as a polling place.

14.15 Tenant shall comply with all MCPS security procedures and protocols for the Building, and Tenant shall be solely responsible for supervision of all its Agents and Related Parties and non-MCPS visitors.

14.16 Tenant shall close and lock all entrance doors and windows in the Premises and the Building when the Premises and the Building are not in use. Further, before closing and leaving the Premises or the Building at any time, Tenant must set any security alarms to secure the Premises and the Building. Tenant may not prop open any doors, other than for purposes of moving furniture and equipment into or out of the Premises or Building or moving children to outdoor play areas; in all other cases, doors must remain closed. Tenant must not place any additional locks or bolts of any kind upon any of the entrance or interior doors or windows, or change any existing locks, without prior written approval of the Landlord. In the event an approved change is made to the existing locks, the Tenant must provide Landlord with keys to the new locks. Upon the termination of this Lease, Tenant must return all keys to the Building, offices, and bathrooms, either furnished to, or otherwise procured by Tenant to Landlord. In the event of the loss of any keys provided to Tenant, Tenant must pay Landlord the cost of replacement keys and/or locks.

14.17 Tenant shall perform any and all obligations under this Lease in a timely manner.

14.18 Tenant shall repair, at its sole cost and expense, any damage to the Premises or the Building caused by removal of the Tenant's property from the Premises or the Building so that the Premises are in substantially the same condition as at the commencement of the Lease, reasonable wear and tear and damage from casualty or condemnation excepted.

14.19 Tenant verifies and acknowledges that the person executing this Lease on behalf of the Tenant has the legal authority to bind the Tenant to the duties and obligations set forth in this Lease. The Tenant further verifies and acknowledges that such person's signature creates a binding obligation on the part of the Tenant for the Term of this Lease.

14.20 Tenant verifies and acknowledges that it is in good standing and/or qualified to do business in the State of Maryland.

ARTICLE 15

Tenant's Equipment and Property

15.01 Taxes on Tenant's Property. Tenant shall timely pay any applicable taxes on Tenant's furniture, fixtures, and equipment located at the Premises and/or Building.

15.02 Installing and Operating Tenant's Equipment. Without first obtaining the written consent of Landlord, which shall not be unreasonably withheld, delayed or conditioned, Tenant shall not install or operate in the Premises or in the Building (i) any electrically operated equipment or other machinery, other than equipment that does not require wiring, cooling, or other service in excess of the capacity for the Premises or the Building, (ii) any equipment of any kind or nature whatsoever which will require any changes, replacements or additions to, or changes in the use of, any water, heating, plumbing, air conditioning, or electrical system of the Premises or the Building for which a permit must be obtained from the applicable governmental authority, or (iii) any equipment which causes the floor load to exceed the reasonable load limits set by Landlord for the Premises and the Building.

15.03 Maintenance and Repair of Tenant's Equipment. Landlord shall not be responsible for maintenance or repair of Tenant's equipment, fixtures, or furnishings, unless such maintenance or repair is necessitated as a result of the gross negligence of Landlord.

ARTICLE 16 Right of Entry

16.01 Tenant shall permit Landlord or its Agents and Related Parties, upon reasonable notice, to enter the Premises without charge to Landlord and without diminution of Rent, to (i) examine, inspect and protect the Premises, (ii) make such capital replacements and repairs or perform such maintenance as Landlord elects to perform in its sole discretion, (iii) exhibit the same to prospective purchasers of the Premises or to present or future mortgagees, (iv) exhibit the same to prospective tenants, and (v) to perform any function for the reasonable protection of the Premises. In the event of an emergency, notice shall not be required.

ARTICLE 17 Insurance

17.01 Liability Insurance. Tenant, at its sole cost and expense, shall procure and maintain throughout the Term coverage for commercial general liability through a policy of liability insurance insuring against claims, demands, or actions for bodily injury, death, personal injury, and loss or damage to property (and covering costs and expenses, including reasonable attorneys' fees) arising out of or in connection with: (i) the Premises or the Building, (ii) Tenant's operations in, maintenance of, and use of the Premises or the Building, and (iii) Tenant's liability assumed under this Lease. Such insurance shall have a minimum bodily injury limit of One Million Dollars (\$1,000,000) for accident or death to one person, and Three Million Dollars (\$3,000,000) in the aggregate, with property damage coverage of at least Five Hundred Thousand Dollars (\$500,000), all on an occurrence basis.

17.02 Products and Completed Operations Coverage. Tenant, at its sole cost and expense, shall procure and maintain throughout the Term insurance covering Products and completed operations insurance applicable to property damage in the amount of One Million Dollars (\$1,000,000) per incident, Three Million Dollars (\$3,000,000) in the aggregate.

17.03 Worker's Compensation. Tenant, at its sole cost and expense, shall procure and maintain throughout the Term Workers' Compensation insurance as an employer to meet the requirements of Maryland Law.

17.04 Commercial Automobile Insurance. Tenant, at its sole cost and expense, shall procure and maintain throughout the Term Comprehensive automobile insurance with minimum coverages of Two Hundred and Fifty Thousand Dollars (\$250,000) per person for bodily injury, One Million Dollars (\$1,000,000) bodily injury per occurrence, and property damage of Three Hundred Thousand Dollars (\$300,000) each occurrence, with all coverages applicable to owned, non-owned, and hired vehicles.

17.05 Flood and Water Damage Insurance. Tenant, at its sole cost and expense, shall procure and maintain throughout the Term coverage for flood and water damage to protect the Premises from water damage and to insure the Tenant's personal property and equipment. The failure of the Tenant to obtain Flood and Water Damage Insurance shall not diminish or negate the Tenant's obligation to hold harmless the Landlord from liabilities, damages, and losses arising from water related damages to the Premises, persons, or the property of the Tenant.

17.06 Requirements of Insurance Coverage. All such insurance required to be carried by Tenant herein shall be issued by an insurance company licensed in the State of Maryland and acceptable to the Landlord. All such insurance (i) shall contain a provision or endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss, (ii) shall name Landlord as an additional insured on the general liability and casualty insurance policies (excluding workers compensation policies), without exception to coverage, and (iii) shall provide that the policy shall not be cancelled or failed to be renewed without at least thirty (30) days prior notice to Landlord.

17.07 Evidence of Insurance. Within fifteen (15) days of the Commencement Date, Tenant shall deliver to Landlord a certificate of insurance evidencing the coverages required under this Lease. Tenant must provide on an annual basis evidence that is satisfactory to Landlord of the insurance coverages required under this Lease.

17.08 Subrogation. If a casualty or other occurrence covered by the insurance required by this Lease occurs, Tenant must look solely to its insurer for reimbursement and Tenant must ensure that such insurance is so written that Tenant's insurer waives all rights of subrogation and shall have no cause of action against Landlord or its Agents and Related Parties as a result of such casualty or occurrence. Tenant waives and releases all right of recovery which it might otherwise have against Landlord or its Agents and Related Parties by reason of any loss or damage resulting from such casualty or other occurrence, to the extent that Tenant would be covered by insurance if Tenant complied with the requirements of this Lease pertaining to insurance.

17.09 Security System. In the event the Landlord engages the services of a professional security system for the Premises or the Building, it is understood that such engagement in no way increases the Landlord's liability for occurrences and/or consequences which such a system is designed to detect or avert and that the Tenant must look solely to its insurer as set forth above for claims for damages or injury to any person or property of Tenant.

ARTICLE 18

Utilities

18.01 Landlord shall pay directly to the suppliers all charges for water, sewer, gas, electricity, used upon the Premises commencing on the Commencement Date. Landlord shall not be liable to Tenant for interruption in or curtailment of any utility service. No interruption or curtailment of utility service shall constitute a constructive eviction. Tenant shall be solely responsible for any other utilities or services (telephone, internet, etc.) for which it contracts

ARTICLE 19

Liability

19.01 Tenant's Indemnity. From and after the date hereof, Tenant shall, at no cost to Landlord, indemnify, defend, and hold Landlord and its Agents and Related Parties harmless from and against all claims, liabilities, settlements, compromises, and costs of whatsoever kind and nature (including reasonable attorneys' fees, experts' fees, and court costs) (collectively, "Claims") which may be imposed upon, or incurred by, or asserted against Landlord or any of its Agents and Related Parties by reason of: (i) any accident, occurrence, injury to or death of persons, or loss of or damage to property, on the Premises and/or Building caused by the negligence or willful misconduct of Tenant or any of its Agents and Related Parties; (ii) any negligence or willful misconduct on the part of the Tenant or any of its Agents and Related Parties; (iii) damage or injury to any Landlord property in the Premises and/or Building which was caused by the negligence or willful misconduct of Tenant or any of its Agents and Related Parties; and (iv) loss or damage proximately caused by an uncured Event of Default by Tenant under this Lease.

19.02 Landlord's Limit of Liability. In case any action or proceeding is brought against Landlord or its Agents and Related Parties for any of the reasons set forth in Article 18.01, Tenant must reimburse Landlord the cost of defending such action or proceeding, or upon Landlord's written demand, and at Tenant's sole cost and expense, Tenant must defend such action and proceeding by counsel approved by Landlord. Nothing herein shall be construed to abrogate, impair, or waive any defense, liability or damages limitation, or governmental immunity of the Board, MCPS, or their Agents and Related Parties pursuant to Laws, or otherwise

19.03 Personal Property at Tenant's Risk; No Consequential Damages. Notwithstanding anything to the contrary in this Lease, from and after the date hereof, (i) any goods, automobiles, property or personal effects stored or placed by Tenant or its Agents and Related Parties in or about the Premises or the Building shall be at the sole risk of such party, and Tenant and its Agents and Related Parties hereby expressly waive their right to recover against the Landlord and its Agents and Related Parties, except to the extent of Landlord's negligence or willful misconduct, and subject always to applicable Laws, and (ii) each of Landlord and Tenant acknowledges to the other that neither party shall be liable to the other for indirect, consequential, incidental or punitive damages or damages for lost profits, arising out of the loss or damage to any person or property of such party, or otherwise in connection with this Lease.

ARTICLE 20
Damage and Condemnation

20.01 Damage to the Premises.

(a) If (i) the Premises shall be damaged by fire or other cause resulting in partial damage, and (ii) there are sufficient insurance proceeds available to cover the cost of the repairs, then Landlord shall diligently and as soon as practicable after such damage occurs (taking into account the time necessary to effect a satisfactory settlement with any insurance company involved) repair such partial damage. Notwithstanding anything to the contrary contained in this Lease, Landlord shall not be required to expend any funds, other than insurance proceeds, to repair the Premises which have been damaged by casualty. Landlord may elect not to repair the damage because of a lack of insurance proceeds or because the damages are so extensive to make repair economically unfeasible, and in such event Landlord will promptly so notify Tenant and, at Tenant's option, this Lease shall partially terminate with respect to such portion of the Premises that is unusable by Tenant due to such damage, the Rent will be apportioned and paid to the date of such casualty and proportionately adjusted for the remainder of the Premises, and this Lease shall continue with respect to the remainder of the Premises.

(b) Notwithstanding Article 19.01.(a) above, if the Premises or a Substantial Part thereof are damaged by fire or other cause, or is damaged to such an extent that, in Landlord's reasonable judgment, the damage cannot be substantially repaired within one hundred twenty (120) days after the date of such damage, or because the damages are so extensive to make repair economically unfeasible, Landlord will promptly so notify Tenant no later than sixty (60) days after the occurrence of the casualty. Thereafter, either Landlord or Tenant may terminate this Lease with respect to all or such portion of the Premises that is unusable by Tenant due to such damage by providing notice to the other party within thirty (30) days from the date of Landlord's notice. The Rent shall be apportioned and paid to the date of such casualty, and if this Lease is not terminated, Rent shall be proportionately adjusted for the remainder of the Premises and this Lease shall continue with respect to the remainder of the Premises. If neither Landlord nor Tenant so elects to terminate this Lease but the damage required to be repaired by Landlord is not repaired within one hundred twenty (120) days from the date of such damage, Tenant, within thirty (30) days from the expiration of such one hundred twenty (120) day period, may terminate this Lease by notice to Landlord with respect to such portion of the Premises that is unusable by Tenant due to such damage in which case the Rent shall be apportioned and paid to the date of the casualty and proportionately adjusted for the remainder of the Premises and this Lease shall continue with respect to the remainder of the Premises. If a Substantial Part of the Premises are damaged by fire or other casualty, and Landlord notifies the Tenant that the damage cannot be substantially repaired within one hundred twenty (120) days after the date of such damage, Tenant's termination right under this Article 19.01.(b) shall apply to the entire Premises. Landlord and Tenant agree that if a casualty results in total destruction of the Building, the Landlord will have no obligation to rebuild the improvements.

20.02 Condemnation. If the whole or a Substantial Part of the Premises shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasi-governmental authority,

and the Rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than a Substantial Part of the Premises is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including sale under threat of such a taking), the Base Rent shall be reduced by the ratio that the portion so taken bears to the rentable square footage of the Premises before such taking, effective as of the date when title vests in such governmental or quasi-governmental authority, and this Lease shall otherwise continue in full force and effect. Tenant shall have no claim against Landlord (or otherwise) as a result of such taking, and Tenant hereby agrees to make no claim against the condemning authority for any portion of the amount that may be awarded as compensation or damages as a result of such taking; provided, however, that Tenant may, to the extent allowed by law, claim an award including for moving expenses and for the taking of any of Tenant's property which does not, under the terms of this Lease, become the property of Landlord at the termination of the Lease, as long as such claim is separate and distinct from any claim of Landlord and does not diminish Landlord's award.

ARTICLE 21 Default

21.01 Events of Default. Each of the following shall constitute an Event of Default:

- (a) Tenant fails to pay the Base Rent and Additional Rent within ten (10) days after such payment becomes due.
- (b) Tenant, its Agents and Related Parties fail to observe or perform any term, condition or covenant of this Lease, other than payment of Base Rent or Additional Rent, continuing for more than thirty (30) days after written notice from Landlord or, in the case of any such failure which cannot with due diligence be cured within thirty (30) days, within such additional period as may be reasonably granted by Landlord to cure such failure with due diligence by the Tenant.
- (c) Commencement of any proceedings to dissolve Tenant, termination of existence, or insolvency.
- (d) Tenant makes or consents to a general assignment of the Premises for the benefit of creditors or a common law composition of creditors, or a receiver for all or substantially all of Tenant's assets is appointed.
- (e) Tenant files a voluntary petition in any bankruptcy or insolvency proceeding, or an involuntary petition in any bankruptcy or insolvency proceeding is filed against Tenant and is not discharged by Tenant within sixty (60) days.
- (f) Tenant abandons the Premises or discontinues the Permitted Use hereunder, with no response from Tenant after ten (10) days' notice from Landlord.

21.02 Landlord's Remedies. Upon the occurrence of an Event of Default, Landlord shall have the right, at its election, then or at any time thereafter, to take any one or more of the following actions:

(a) Give Tenant written notice of Landlord's intent to terminate this Lease on the date of the notice or on any later date specified in the notice, and on such date Tenant's right to possession of the Premises shall cease and this Lease shall thereupon be terminated. Landlord shall have the right to recover all damages to which Landlord is entitled under this Lease and under Laws.

(b) Give Tenant written notice of Landlord's intent to terminate Tenant's right of possession of the Premises (without terminating this Lease), on the date of the notice or on any later date specified in the notice, and on such date Tenant's right to possession of the Premises shall cease. In such an event, Landlord shall use commercially reasonable efforts to relet the Premises, or any part thereof, on behalf of Tenant, for such rent and term and upon such other conditions as are reasonably acceptable to Landlord. Until Landlord relets the Premises, Tenant shall remain obligated to pay Rent to Landlord as provided in this Lease. If and when Landlord relets the Premises and if a sufficient sum is not realized from such reletting to satisfy the payment of Rent due under this Lease for any month, Tenant shall pay Landlord any such deficiency upon demand. Tenant agrees that Landlord may file suit to recover any sums due to Landlord under this Article from time to time and that such suit or recovery of any amount due Landlord shall not be any defense to any subsequent action brought for any amount not previously reduced to judgment in favor of Landlord.

(c) With or without terminating this Lease, re-enter and take possession of the Premises, expel Tenant and those claiming through Tenant, and remove Tenant's Alterations, signs, personal property, equipment, and other evidences of tenancy, and store them at Tenant's risk and expense or dispose of them; provided, however, that if Landlord elects to take possession only without terminating this Lease, such entry and possession shall not terminate this Lease or release Tenant, in whole or in part, from the obligation to pay the Rent for the Term or from any other obligation under this Lease.

(d) Pursue any and all legal remedies available in law or equity.

21.03 No Waiver. If Landlord institutes proceedings against Tenant and a compromise or settlement thereof is made, the same does not constitute a waiver of any other covenant, condition, or agreement herein contained, or of any of Landlord's rights hereunder, except to the extent expressly provided in the compromise or settlement. No waiver by Landlord of any failure to observe or perform any term, condition, or covenant of this Lease shall operate as a waiver of such term, condition, or covenant, or of any subsequent failure thereof. No payment of Rent or partial payment of Rent by Tenant or acceptance of Rent by Landlord shall operate as a waiver of any breach or default by Tenant under this Lease. No re-entry by Landlord, and no acceptance by Landlord of any keys from Tenant, shall be considered an acceptance of a surrender of the Lease.

21.04 Right of Landlord to Cure Tenant's Default. If an Event of Default occurs and is continuing, then Landlord may (but shall not be obligated to) make such payment or do such act to cure the Event of Default, and charge the amount of the reasonable expense thereof to Tenant. Such payment shall be due and payable upon demand; however, the making of such payment or the taking of such action by Landlord shall not be deemed to cure the Event of Default or prevent Landlord from the pursuit of any remedy to which Landlord would otherwise be entitled.

ARTICLE 22

Disputes

22.01 Any claim, action, or suit between the Landlord and the Tenant that arises out of or relates to the performance of this Lease shall be brought and conducted solely and exclusively in the courts of the State of Maryland in accordance with the laws of the State of Maryland. Pending final decision of a dispute hereunder, Landlord and Tenant shall continue to diligently perform their obligations under this Lease, including the payment of Rent except as provided for hereunder.

ARTICLE 23

Surrender; Holding Over; Prorations

23.01 Surrender of the Premises. Tenant shall peaceably surrender the Premises to Landlord on the Termination Date or earlier termination of this Lease, in broom-clean condition and in substantially same or better condition as on the Commencement Date, except for reasonable wear and tear and damage from casualty and condemnation.

23.02 Removal of Tenant Property. In the event that Tenant's property is not removed from the Premises within five (5) days after the termination of this Lease, the property remaining will become the property of Landlord. Following termination of this Lease, Tenant must remove any and all signs erected by or on behalf of Tenant and must pay for or repair any damage caused by the installation or removal of such signage. At the time of termination of this Lease and at the Landlord's option, Tenant must participate in a walk-through with Landlord to inspect the Premises.

23.03 Holding Over. In the event that Tenant does not immediately surrender the Premises to Landlord on the Termination Date or earlier termination of this Lease, Tenant shall be deemed to be a tenant at sufferance upon all of the terms and provisions of this Lease, except the Base Rent shall be 150% of the then current Base Rent.. Notwithstanding the foregoing, if Tenant shall hold over after the Termination Date or earlier termination of this Lease, and Landlord shall desire to regain possession of the Premises, then Landlord may forthwith re-enter and take possession of the Premises. Tenant shall indemnify Landlord and its Agents and Related Parties against all damages, losses, expenses, and costs (including reasonable attorneys' fees and court costs) permitted under law that Landlord may incur as a result of Tenant's holdover use and occupancy of the Premises.

23.04 Prorations. All of Tenant's utility expenses, similar charges, or fees incurred in connection with this Lease of which Tenant is responsible shall be prorated and paid by Tenant as of the Termination Date. Tenant shall pay for services performed or for work on the Premises undertaken by or at the direction of Tenant on or prior to the Termination Date.

ARTICLE 24

Quiet Enjoyment

24.01 Landlord covenants that during the Term, Tenant shall peaceably and quietly occupy and enjoy possession of the Premises without molestation or hindrance by Landlord or any party claiming through or under Landlord, subject to the provisions of this Lease and easements,

conditions, restrictions, and other matters of record affecting the Premises as of the Commencement Date.

ARTICLE 25

Tenant's Covenants Regarding Hazardous Materials

25.01 Definition. For purposes hereof, the term Hazardous Materials means Hazardous Material, Hazardous Substance, Pollutant or Contaminant, and Petroleum and Natural Gas Liquids, as those terms are defined or used in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and any other substances regulated because of their effect or potential effect on public health, public safety, or the environment, including, without limitation, PCBs, lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible materials, and infectious materials. The term Hazardous Materials excludes common cleaning and maintenance supplies in sufficient quantities to permit the efficient operation of Tenant's business at the Premises, provided that such supplies are stored, contained and otherwise dealt with in accordance with applicable Hazardous Materials Law. The term Hazardous Materials Law means any present or future federal, state, or local law, code, rule, regulation, ordinance, order, standard, permit, license, guidance document, or requirement (including consent decrees, judicial decisions and administrative orders) together with all related amendments, implementing regulations and re-authorizations, relating to industrial hygiene, environmental or unsafe conditions and/or the protection, preservation, conservation, or regulation of the environment.

25.02 Tenant's Acknowledgment; General Prohibition. Tenant hereby acknowledges and agrees that (i) Landlord has no duty to investigate the Premises and/or Building for Hazardous Materials, and (ii) Tenant is leasing the Premises subject to any Hazardous Materials in existence on the Premises and/or Building on the Commencement Date. Tenant and its Agents and Related Parties shall not cause or permit any Hazardous Materials to be generated, produced, brought upon, used, stored, retained, treated, discharged, released, spilled, or disposed of on, in, under, or about the Premises and/or Building by Tenant or its Agents and Related Parties, sublessees, or assignees without the prior written consent of Landlord; provided, however, that Tenant and its Agents and Related Parties, without Landlord's consent, may use toner, ordinary cleaning supplies, and other substances commonly found in educational facilities or used in Tenant's normal business operations as long as they are used and stored in compliance with Hazardous Materials Law. Landlord shall be entitled to take into account such factors or facts as Landlord may in its good faith business judgment determine to be relevant in determining whether to grant, condition, or withhold consent to Tenant's proposed activity with respect to Hazardous Materials. In no event, however, shall Landlord be required to consent to the installation or use of any additional storage tanks on, in, under, or about the Premises and/or Building. If Landlord consents to the generation, production, use, storage, retention, treatment or disposal of Hazardous Materials on, in, under, or about the Premises by Tenant, its Agents and Related Parties, sublessees, or assignees, then, in addition to any other requirements or conditions that Landlord may impose in connection with such consent, (i) Tenant promptly shall deliver to Landlord copies of all permits, approvals, filings, and reports reflecting the legal and proper generation, production, use, storage, retention, treatment, or removal of all Hazardous Materials generated, produced, used, stored, retained, treated, or removed from the Premises and, upon Landlord's request, copies of all hazardous waste manifests relating thereto, and (ii) on or before the Termination Date or earlier termination of this

Lease, Tenant shall cause all Hazardous Materials arising out of or related to the use or occupancy of the Premises during the Term by Tenant or its Agents and Related Parties, sublessees, or assignees to be removed from the Premises and/or Building and transported for use, storage, or disposal in accordance with all applicable Hazardous Materials Laws, regulations, and ordinances, and Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord of the same.

25.03 Tenant's Indemnification. From and after the date hereof, Tenant shall indemnify, defend, and hold Landlord harmless from any and all actions (including remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting there from), costs, claims, damages, expenses (including reasonable attorneys' fees, experts' fees, court costs, and amounts paid in settlement of any claims or actions), fines, forfeitures, or other civil, administrative, or criminal penalties, injunctive or other relief (whether or not based upon personal or bodily injury, property damage, contamination of, or adverse effects upon, the environment, water tables, or natural resources), liabilities, or losses permitted by law and incurred by Landlord arising from breach of Article 24.02 or any Hazardous Materials Laws by Tenant, its Agents and Related Parties, sublessees, or assignees.

25.04 Responsibility for Potential Regulatory Requirements. In the event that any governmental agency or entity having jurisdiction over the Premises requires the removal of any Hazardous Materials, Tenant shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Premises and/or Building by Tenant or its Agents and Related Parties, sublessees, or assignees. Tenant shall not take any remedial action in or about the Premises and/or Building, nor enter into any settlement agreement, consent decree or other compromise with respect to any claims relating to any Hazardous Materials in any way connected with the Premises without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to appear, intervene, or otherwise appropriately assert and protect Landlord's interest with respect thereto; provided however that so long as Tenant is responsible for and completes the remediation, Tenant, and not Landlord shall have the authority to negotiate the scope of the remediation necessary and close the file with the appropriate governmental agency. In the event that any governmental agency or entity having jurisdiction over the Premises requires the removal of any Hazardous Materials that the Tenant did not place on, in, under, or about the Premises and/or Building, either party has the right to terminate this lease without penalty on not less than sixty (60) days written notice to the other.

25.05 Notice. Tenant immediately shall notify Landlord in writing of: (i) any spill, release, discharge, or disposal of any Hazardous Materials on, in, under, or about the Premises and/or Building or any portion thereof during the Term, (ii) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, contemplated, or threatened (if Tenant has notice thereof) pursuant to any Hazardous Materials Laws; (iii) any claim made or threatened by any person against Tenant or with respect to the Premises and/or Building relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any environmental agency or entity arising out of or in connection with any Hazardous Materials on, in, under, or about or removed from the Premises and/or Building during the Term, including any complaints, notices, warnings, reports, or asserted violations in connection therewith of which Tenant has notice. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings, or

asserted violations relating in any way to the Premises and/or Building or Tenant's use or occupancy thereof.

25.06 Pesticide Use in Schools. The Landlord has implemented a regulation regarding integrated pest management in schools, labeled ECF-RB, attached hereto and incorporated herein as Exhibit G in accordance with the Agriculture Article, Annotated Code of Maryland. Tenant agrees to comply with the integrated pest management program established for the Building within the Premises by following the procedures outlined in the regulation.

ARTICLE 26 Miscellaneous

26.01 No Representations by Landlord. Tenant acknowledges that neither Landlord nor its Agents and Related Parties nor any broker has made any representation or promise with respect to the Premises, except as herein expressly set forth, and no rights, privileges, easements, or licenses are acquired by Tenant except as herein expressly set forth. Tenant, by taking possession of the Premises shall, subject to the provisions of this Lease, accept the Premises AS IS, and such taking of possession shall be conclusive evidence that the Premises and Building are in acceptable condition at the time of such taking of possession.

26.02 No Partnership. Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between Landlord and Tenant other than that of landlord and tenant.

26.03 Brokers. Landlord and Tenant each represents and warrants to the other that it has not employed any broker, agent, or finder relating to this Lease. Tenant shall indemnify and hold Landlord harmless, from and against any claim for brokerage or other commission arising from or out of any breach of the Tenant's representation and warranty.

26.04 Compliance with Laws. It is understood, agreed, and covenanted by and between the parties that Tenant at its expense, will promptly comply with, observe, and perform all of the requirements of all Laws. Tenant shall also comply with the Board policies and MCPS regulations applicable to users of Board property. If any act or failure to act on Tenant's part results in a violation of any of the Laws, upon due notice, Tenant will act promptly to comply therewith. Any violation of any of the Laws is subject to Article 20.01(b) of this Lease.

26.05 Waiver of Jury Trial. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY ONE 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 HEREUNDER, OR TENANT'S USE OR OCCUPANCY OF THE PREMISES. IN THE EVENT LANDLORD COMMENCES ANY PROCEEDINGS FOR NONPAYMENT OF RENT, TENANT SHALL NOT INTERPOSE ANY COUNTERCLAIMS, EXCEPT TO THE EXTENT COMPULSORY UNDER APPLICABLE PROCEDURE. THIS SHALL NOT, HOWEVER, BE CONSTRUED AS A WAIVER OF TENANT'S RIGHT TO ASSERT SUCH CLAIMS IN ANY SEPARATE ACTION BROUGHT BY TENANT.

26.06 Notices. All notices, demands, requests, or other communications hereunder shall be in writing and shall be deemed duly given if delivered in person or upon receipt, if delivered by a recognized overnight courier (e.g., Federal Express), to the addresses of the respective parties as set forth in Articles 1.11 and 1.12. Landlord and Tenant may from time to time by written notice to the other designate another or a different address for receipt of future notices.

26.07 Non-discrimination. The Tenant shall comply with all applicable Laws regarding discrimination, as well as Board Policy ACA, *Nondiscrimination, Equity, and Cultural Proficiency* ("Board Policy ACA"), which prohibits discrimination based on actual or perceived personal characteristics, including race, ethnicity, color, ancestry, national origin, religion, immigration status, sex, gender, gender identity, gender expression, sexual orientation, family/parental status, marital status, age, physical or mental disability, poverty and socioeconomic status, language, or other legally or constitutionally protected attributes or affiliations. Consistent with Board Policy ACA and applicable Laws, the Tenant will not discriminate against any of its employees or applicants for employment because of the actual or perceived personal characteristics listed above. The Tenant will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to these actual or perceived personal characteristics. In addition, the Tenant agrees to provide such accommodations as are required under applicable Laws, including but not limited to the Individuals with Disabilities Education Act (IDEA), the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973.

26.08 Maryland Sex Offender Law. Tenant shall comply with Laws regarding registered sex offenders. A registered sex offender is prohibited from entering onto real property used for a public or non-public school (§ 11-722 of Criminal Procedure Article, Annotated Code of Maryland). Tenant shall not knowingly employ any person to work at the Premises, whether for compensation or as a volunteer, if the individual is a registered sex offender, in accordance with Maryland law. An employer or contractor who violates this requirement may be found guilty of a misdemeanor and if convicted may be subject to up to five years in prison and/or a \$5,000 fine. Failure to comply with Laws regarding registered sex offenders shall be deemed an Event of Default under this Lease.

26.09 Maryland Criminal Background Check Law. Tenant shall comply with Laws regarding required criminal background checks. Maryland law requires that (i) any entity that contracts with a public school, and any subcontractors for such entity, and (ii) any non-public school, and any contractors or subcontractors for the non-public school, may not knowingly assign an employee to work on school premises with direct, unsupervised, and uncontrolled access to children, if the employee has been convicted of, or pled guilty or nolo contendere to certain crimes (§ 6-113 and § 2-206.1 of Education Article, Annotated Code of Maryland). In addition, each public and non-public school, and any contractors or subcontractors, must ensure that any individuals in its work-force undergo a criminal background check, including fingerprinting, if the individuals will work in a school facility in circumstances where they have direct, unsupervised, and uncontrolled access to children (§ 5-560 - §5-561 of Family Law Article, Annotated Code of Maryland). Failure to comply with Laws regarding criminal background checks shall be deemed an Event of Default under this Lease.

26.10 Financial Statements. Following an Event of Default pursuant to Section 20.1.1 which remains uncured, Tenant, within fifteen (15) days after request from Landlord, shall provide

Landlord with current financial statements (and audited financial statements (but only to the extent Tenant produces audited financial statements in the ordinary course of its business)) for the last two (2) fiscal years and such other information as Landlord may reasonably request.

26.11 Invalidity of Particular Provisions. If any provisions of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the full extent permitted by law.

26.12 Officials and Employees Not to Benefit. Tenant is prohibited from using the services of current MCPS employees in its use of the Premises. The services of former employees may be used, provided that a twelve (12) month period has elapsed since their last employment at MCPS. No elected official or employee of Maryland, Montgomery County, or MCPS shall benefit from or receive any money as a result of this Lease. Violation of this Article will void the Lease. Tenant shall pay Landlord any funds received by any official or employee, the contract will be terminated, and Landlord shall seek appropriate legal remedy.

26.13 Benefit and Burden. Subject to the provisions of Article 9, and except as otherwise expressly provided in this Lease, the provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, heirs, successors and assigns. Landlord may freely and fully assign its interest hereunder. None of the provisions of this Lease are intended for the benefit of any third party, and no such third party shall have the right to enforce the provisions of this Lease.

26.14 Certain Obligations to Survive. The provisions set forth in Article 18, Article 20, and Article 25.05, as well as any other of the Tenant's obligations and warranties, which directly or indirectly are intended by their nature or by implication to survive the Tenant's performance, including the Tenant's obligation to pay Rent and any other sums of money due and payable to Landlord under the terms of this Lease, shall survive the expiration, cancellation, or earlier termination of the Lease.

26.15 Entire Agreement. This Lease (which includes the Exhibits attached hereto) contains and embodies the entire agreement of the parties hereto, and no representations, inducements, or agreements, oral or otherwise, between the parties not contained in this Lease shall be of any force or effect. This Lease may not be modified, changed or terminated in whole or in part in any manner other than by an agreement in writing duly signed by Landlord and Tenant.

26.16 Interpretation. Include, includes, and including mean considered as part of a larger group, and not limited to the items recited. Shall means is obligated to; May means is permitted to. The necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, or individuals, men or women, as the case may be, shall in all cases be assumed as though in each case fully expressed. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number or gender as the context may require.

26.17 No Personal Liability; Sale. No employee of Landlord or of its Agents and Related Parties, whether disclosed or undisclosed, shall have any personal liability under any provision of this Lease. In the event of a judgment in favor of Tenant which remains unpaid, Tenant shall be entitled to pursue all remedies available under Laws. If the original Landlord hereunder, or any successor owner of the Premises, shall sell or convey the Premises, all liabilities and obligations on the part of the original Landlord, or such successor owner, under this Lease occurring thereafter shall terminate as of the day of such sale, and thereupon all such liabilities and obligations shall be binding on the new owner, provided such successor owner assumes or is legally responsible for such liabilities or obligations. Tenant agrees to attorn to such new owner as long as such new owner agrees to recognize this Lease.

26.18 Force Majeure. Neither party shall be required to perform its obligations under this Lease, nor shall it be liable for loss or damage for failure to do so, where such failure arises from or through acts of God, strikes, lockouts, labor difficulties, explosions, sabotage, accidents, riots, civil commotions, acts of war, results of any warfare or warlike conditions in this or any foreign country, fire or casualty, energy shortage, or other causes beyond its reasonable control, unless such loss or damage results from its willful misconduct or negligence. Failure to meet monetary obligations shall not be excused by Force Majeure.

26.19 Headings. Captions and headings are for convenience of reference only.

26.20 Governing Law. This Lease is governed and shall be construed in accordance with the laws of the State of Maryland.

26.21 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument. Each party may rely on facsimile signature pages as if such facsimile pages were originals.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease Agreement to be executed by their authorized representatives as of the date first above written.

LANDLORD:

ATTEST/WITNESS

BOARD OF EDUCATION OF
MONTGOMERY COUNTY

By: _____
Grace Rivera-Oven, President

ATTEST/WITNESS

Approved:

By: _____
Thomas W. Taylor, Ed.D., M.B.A.,
Superintendent of Schools

ATTEST/WITNESS

TENANT:

[COMPANY NAME]

By: _____
[Name]

[Title]

ATTACHMENT E

Statement of Financial Responsibility

1. Is the Offeror a subsidiary of or affiliated with any other organizations(s), corporation(s), or any other firm(s)?

YES _____

NO _____

If yes, list each such organization, corporation or firm by name and address; specify the Offeror's relationship, and identify the officers, directors or trustees common to the Offeror:

2. Describe the plan for financing the program, if funds for the leasing of the facility and operating the program will be obtained from sources other the Offeror's funds.

3. List sources and amount of cash available to meet equity requirements of the proposed venture:

- a. in banks (include names, addresses, telephone numbers and amounts)

- b. by loans from affiliated or associated organization, corporation, or firms (include names, addresses, telephone numbers and amounts)

4. List the names and addresses of all bank references

5. Financial condition of Offeror -- attach previous two years financial statements.

6. Bankruptcy: Has the Offeror or, if applicable, the parent corporation or any subsidiary or affiliated corporation of the Offeror or said parent corporation, or other interested parties (major stockholders or owner) been adjudged bankrupt, either voluntarily or involuntarily, within the past ten years?

YES _____

NO _____

If yes, give date, place, bankruptcy case number, and under what name:

7. Personal Interest: Does any member of the Board of Education of Montgomery County, Maryland, to which the accompanying application is being made, or any officer or employee of Montgomery County Public Schools who exercises any functions or responsibilities in connection with the carrying out of the program covered by the Offeror's proposal, have any direct or indirect personal interest in the Offeror?

YES _____

NO _____

8. If the Offeror wishes, additional statements can be attached as evidence of the Offeror's qualifications and/or financial responsibility.

ATTACHMENT F

CERTIFICATION OF FINANCIAL RESPONSIBILITY

I (We) _____
certify that this Offeror's Statement of Financial Responsibility and the attached information are true and correct.

I (We) also agree to comply with conditions stated in the attached Lease Agreement for the _____ and that the scope of services as submitted in this completed application will be adhered to.

Name

Name

Title

Title

Address

Address

City, State and Zip

City, State and Zip

Signature

Signature

Date

Date

ATTACHMENT G

Equal Opportunity Certification

1. Are you participating in any contractual agreement which contains the Equal Employment Opportunity Clause prescribed in Executive Order 11246, as amended?

() Yes () No

2. Name and address of Federal "Compliance Agency," if known:

("The Rules and Regulations of the Office of Federal Contract Compliance Programs, U.S. Department of Labor, define the term Compliance Agency as the agency designated by the Director, of CCP, to conduct compliance reviews and to undertake such other responsibilities assigned.")

3. Are you required to maintain a written affirmative action plan according to 41 CFR 60-2 and 60-1 (a)(4)?

() Yes () No

4. Has the "Compliance Agency" required you to correct deficiencies in your affirmative action plan or your employment policies and practices?

() Yes () No

5. Are you required to submit an annual compliance report as described in 41 CFR 60-17 (a)?

() Yes () No

If the answer to "5" is yes, enclose a copy of your latest compliance report.

Data on Subcontractors. (Use supplementary sheets where required.)

_____ (1)* (2)** (3)***

(Subcontractor's Name)

_____ () Yes () Yes () Yes

(Street)

(City) (State) () No () No () No

(Subcontractor's Name) (1)* (2)** (3)***

(Street) () Yes () Yes () Yes

(City) (State) () No () No () No

*(1) Previously held contracts subject to EQ 10925, 11114, and 11246, as amended.

** (2) Previously filed certificate of nonsegregated facilities.

*** (3) Previously filed annual (EE0-1, EEO-4, or EEO-6) compliance report.

ATTACHMENT H

Certification of Non-segregated Facilities

By submission of this offer, the Offeror or subcontractor certifies that there is not maintained or provided for employees any segregated facilities and that employees will not be permitted to perform their services at any location, under the Offeror's control, where segregated facilities are maintained. The Offeror, or subcontractor, agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "Segregated Facilities" means any rooms, work areas, restrooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin because of habit, local custom, or otherwise. The Offeror further agrees that except where there has been obtained identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause that there will be forwarded the following notice to such proposed subcontractors except where the proposed subcontractors have submitted certifications for specific time period:

Notice to Prospective Subcontractors of

Requirement for Certifications of

Non-segregated Facilities

A Certification of Non-segregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities by the Secretary of Labor, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause.

The certification may be submitted either for each subcontract or for all subcontracts during a period, i.e., quarterly, semiannually, or annually.

NOTE: Failure of an Offeror to agree to the Certification of Non-segregated Facilities shall render its offer nonresponsive.

ATTACHMENT I

Minority Business Enterprise

The Offeror () is () is not a minority business enterprise. A minority business enterprise is defined as a "business at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock is owned by minority group members." For the purpose of this definition, minority group members are African Americans, Hispanic Americans, Asian Americans, and American Indians.

Check the appropriate box below.

- | | | | |
|---|---|-----------------------------------|--|
| ☐ African American | ☐ Asian American | ☐ Hispanic | ☐ Native American |
| ☐ Female | ☐ Disabled | ☐ None | |

ATTACHMENT J

NON-DEBARMENT ACKNOWLEDGEMENT

_____ I acknowledge that my firm has NO pending litigation and/or debarment from doing business with the State of Maryland or any of its subordinate government units and/or federal government within the past five (5) years.

_____ I acknowledge that my firm has pending litigation or has been debarred from doing business with the State of Maryland or any of its subordinate government units and/or federal government, within the past five (5) years. If so, please provide an attachment describing the pending litigation or debarment.

_____ I acknowledge none of this company's officers, directors, partners, or its employees have been convicted of bribery, attempted bribery, or conspiracy to bribe under the laws of any state or federal government; and that no member of the Board of Education of the Montgomery County Public Schools, Administrative or Supervisory Personnel, or other employees of the Board of Education has any interest in the bidding company except as follows

As the duly authorized representative of the Offeror, I hereby certify that the above information is correct and that I will advise Montgomery County Public Schools should there be a change in status.

By (Signature) _____

Name and Title _____

Witness Name and Title _____