



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Finance and Facilities Committee Meeting
October 18, 2017
8:30 a.m.
President's Boardroom, Millican Hall, 3rd floor
Conference call in phone number 800-442-5794, passcode 463796**

AGENDA

- | | |
|---|---|
| I. CALL TO ORDER | Alex Martins
<i>Chair, Finance and Facilities Committee</i> |
| II. ROLL CALL | Tracy D. Slavik
<i>Coordinator for Administration Services for
Administration and Finance Division</i> |
| III. MEETING MINUTES | |
| <ul style="list-style-type: none">• Approval of the August 16, 2017, and September 26, 2017, Finance and Facilities Committee meetings minutes | Chair Martins |
| IV. NEW BUSINESS | Chair Martins |
| <ul style="list-style-type: none">• Commercial Lease by and between TSLF Church Street Exchange, LLC, and University of Central Florida Board of Trustees (FFC-1)• Revision to Florida Solar Energy Center Rules 6C7-8.009 and 6C7-8.010 (FFC-2) | <div>William F. Merck II
<i>Vice President for Administration and Finance
and Chief Financial Officer</i></div> <div>Jennifer Cerasa
<i>Associate General Counsel</i></div> <div>William F. Merck II
Scott Cole
<i>Vice President and General Counsel</i>
Youndy Cook
<i>Deputy General Counsel</i></div> |

- Amendments to University Regulation UCF-4.019 Fee Policy—Payments, Refunds, and Release of Fee Liability (FFC-3)

William F. Merck II
Scott Cole
Youndy C. Cook
Adrienne Frame
Associate Vice President and Dean of Students
- Five-year Capital Improvement Plan Revised (FFC-4)

William F. Merck II
Lee Kernek
Associate Vice President for Administration and Finance
- Lake Nona Incubator Lease Agreement (FFC-5)

Thomas O’Neal
Associate Vice President for Innovation and Commercialization
Sandra M. Sovinski
Senior Associate General Counsel
- Medically Integrated Fitness and Sports Performance Center in Lake Nona (FFC-6)

Deborah C. German
Vice President for Medical Affairs and Dean of the UCF College of Medicine
Jeanette C. Schreiber
Associate Vice President for Medical Affairs and Chief Legal Officer for the UCF College of Medicine
- UCF Investments Quarterly Report Ended June 30, 2017 (INFO-1)

William F. Merck II
Tracy Clark
Associate Provost for Budget, Planning, and Administration and Associate Vice President for Finance
- University Operating Budget Report Quarter Ended June 30, 2017 (INFO-2)

William F. Merck II
Tracy Clark
- Direct Support Organizations’ 2016-17 Fourth-Quarter Financial Reports (INFO-3)

 - UCF Athletic Association and UCF Stadium Corporation
 - UCF Convocation Corporation
 - UCF Finance Corporation
 - UCF Foundation
 - UCF Research Foundation

William F. Merck II
John C. Pittman
Associate Vice President for Administration and Finance, Debt Management
- University and DSO Debt Report Coverage Ratios (INFO-4)

William F. Merck II
John C. Pittman

V. OTHER BUSINESS

Chair Martins

VI. CLOSING COMMENTS

Chair Martins



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
President's Boardroom, Millican Hall, 3rd floor
August 16, 2017

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members William Self and David Walsh were present. Committee members Robert Garvy and Nick Larkins attended by teleconference.

MINUTES APPROVAL

The minutes of the June 14, 2017, and July 20, 2017, Finance and Facilities Committee meetings were approved as submitted.

NEW BUSINESS

Amendments to University Regulation UCF-4.030 Boating on University Lakes (FFC-1)

Youndy C. Cook, Deputy General Counsel, presented for approval amendments to existing university regulation UCF-4.030 Boating on University Lakes. The regulation has been renamed Campus Water Activities, and the original focus on boating has expanded to include all water activities on campus. As amended, the regulation will operate alongside existing university policies related to fishing and the use of Lake Claire. The committee unanimously approved the amendments.

Amendments to University Regulation UCF-7.230 Real Property Leasing (FFC-2)

Cook presented for approval amendments to existing university regulation UCF-7.230 Real Property Leasing. The language on the prohibition of escalation clauses was removed in order to increase the university's flexibility and bargaining position. The Board of Governors no longer prohibits escalation clauses. The committee unanimously approved the amendments.

Mental Health Counseling and Public Safety Officers Implementation Plan (FFC-3)

Maribeth Ehasz, Vice President for Student Development and Enrollment Services, Adrienne Frame, Associate Vice President and Dean of Students, and Richard Beary, Associate Vice President and Chief of Police, presented for approval the Mental Health Counseling and Public Safety Officers Implementation Plan. The plan outlines how the university will meet the goals to 1) increase staffing levels of SUS counseling centers closer to staffing ratios recommended by the profession's accreditation association, the International Association of Counseling Services, and 2) increase SUS officer staffing closer to the International Association of Chiefs of Police recommended national standard for community-oriented policing.

UCF's Counseling and Psychological Services has implemented programs, services, and staffing solutions that enhance their ability to serve students' needs. They also reallocated the student health fee so an additional \$0.63 per student credit hour will go to support counseling and psychological services, resulting in close to \$1 million of new resources.

The UCF Police Department is working to implement a multi-year plan that will allow the department to increase staffing without overburdening its field training program. The costs for the new officers, equipment, vehicles, and training are part of the departmental operating budget.

The committee unanimously approved the plan as presented.

University and DSO Debt Report (INFO-1)

John Pittman, Associate Vice President for Administration and Finance, Debt Management, reported that the University and DSO Debt Report was provided as an information item.

2018 Finance and Facilities Committee Meeting Dates (INFO-2)


William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, provided the 2018 Finance and Facilities Committee meeting dates as an information item.

OTHER BUSINESS

UCF Downtown Private Student Housing Leases

Merck and Thad Seymour, Vice Provost for UCF Downtown, informed the committee that two leases pertaining to private student housing for UCF Downtown will be presented for discussion and approval at a Finance and Facilities Committee teleconference meeting on September 26.

Chair Martins adjourned the Finance and Facilities Committee meeting at 8:55 a.m.

Respectfully submitted: 
William F. Merck II
Vice President for Administration and Finance
and Chief Financial Officer

9-22-17
Date



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
President's Boardroom, Millican Hall, 3rd floor
September 26, 2017

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members William Self and David Walsh were present. Committee members Robert Garvy, Nick Larkins, and Bill Yeargin attended by teleconference. Trustee John Lord attended by teleconference.

NEW BUSINESS

Lease Agreement between Ustler Development, Inc., and Development Ventures Group, Inc., and University of Central Florida Board of Trustees (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, Thad Seymour, Vice Provost for UCF Downtown, and Jennifer Cerasa, Associate General Counsel, presented for approval the lease agreement for the UCF Downtown Campus (Creative Village) located on West Livingston Street in Orlando. The agreement involves the lease of approximately 45,000 to 48,000 square feet of academic support space in the Creative Village by UCF, as tenant, from Ustler Development, Inc., and Development Ventures Group, Inc., as landlord. The academic support space will be in the same building as the privately developed student housing that will be managed by UCF Housing. The lease agreement contains a base rent of \$17.25 per square foot for 20 years. The committee unanimously approved the lease as presented.

WUCF TV Channel Sharing Agreement (FFC-2)

Grant J. Heston, Vice President for Communications and Marketing, requested approval of a 30-year channel-sharing agreement between WUCF TV and Good Life Broadcasting, Inc. The contract is a lease agreement for a portion of WUCF TV's broadcast spectrum. The new channel will air under its own name and brand and will not contain any reference to UCF or WUCF TV. More than half of the WUCF TV spectrum will still be available for use, and WUCF TV's ability to participate in a future broadcast spectrum auction also is preserved, should one occur.

WUCF TV will receive \$4.25 million for the agreement, payable within the first six months. Additionally, Good Life Broadcasting, Inc., will pay 25 percent of its annual broadcast operating costs to WUCF TV for the life of the agreement, a conservatively estimated commitment of more than \$1 million. If the UCF Board of Trustees approves the agreement, it is also subject to

approval by the Federal Communications Commission. The committee unanimously approved the agreement as presented.

Chair Martins adjourned the Finance and Facilities Committee meeting at 8:55 a.m.

Respectfully submitted: William F. Merck II 10.4.17
William F. Merck II
Vice President for Administration and Finance
and Chief Financial Officer
Date

ITEM: FFC-1

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Commercial Lease by and between TSLF Church Street Exchange, LLC,
and University of Central Florida Board of Trustees

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Recommend approval of the commercial lease agreement for a portion of the ground floor of The Church Street Exchange, located at 101 South Garland Avenue in Orlando.

BACKGROUND INFORMATION

The commercial lease agreement involves approximately 17,189 square feet of the ground floor of the building commonly known as The Church Street Exchange at Church Street Station in downtown Orlando.

The lease term will commence on November 1 and continue for 48 months. Annual rental rate for the first year is \$326,591, payable in advance in equal monthly installments of \$27,215.92. The rental rate for the first year is inclusive of real estate taxes and operating expenses. For each subsequent year, base rent will be increased either 3 percent or based on CPI, whichever is less, and the tenant will also be responsible for a proportionate share (19.38 percent) of the operating expenses for the ground floor of the building.

This lease is currently occupied by CanvsOrl, Inc., and is contingent upon the termination of the existing lease on or before November 1, 2017. It is the landlord's intention to immediately sublease the space back to CanvsOrl, Inc., mirroring the terms and conditions of this lease.

Supporting documentation: Attachment A: Commercial Lease Agreement

Prepared by: Jennifer Cerasa, Associate General Counsel

Submitted by: William F. Merck II, Vice President for Administration and Finance
and Chief Financial Officer

Attachment A

COMMERCIAL LEASE

BY AND BETWEEN

TSLF CHURCH STREET EXCHANGE, LLC
a Delaware limited liability company

AND

UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES

**FOR A PORTION OF THE
GROUND FLOOR**

OF

THE CHURCH STREET EXCHANGE

**101 SOUTH GARLAND AVE
ORLANDO, FLORIDA**

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INDEX OF EXHIBITS

“A”	LEGAL DESCRIPTION OF LAND
“B”	LEASED PREMISES
“C”	RESERVED
“D”	GUARANTY AGREEMENT
“E”	RULES AND REGULATIONS
“F”	MEMORANDUM OF ACCEPTANCE OF LEASED PREMISES
“G”	BASE RENT SCHEDULE
“H”	NOTICE OF LIMITATION UPON LIENS
“I”	LEASE SUBORDINATION, ATTORNMENT, AND NON-DISTURBANCE AGREEMENT
“J”	LEASE RATIFICATION AGREEMENT AND ESTOPPEL CERTIFICATE
“K”	SCHEDULE OF EXCLUSIVE USE RIGHTS
“L”	SIGN CRITERIA

COMMERCIAL LEASE
The Church Street Exchange
101 South Garland Ave, Ground Floor
Orlando, Florida

THIS COMMERCIAL LEASE (this "Lease") is made as of this ____ day of _____, 2017 (the "Effective Date"), by and between **TSLF CHURCH STREET EXCHANGE, LLC**, a Delaware limited liability company ("Landlord"), and **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES** ("Tenant").

ARTICLE 1 - BASIC LEASE TERMS

For the purpose of this Lease, the following terms shall have the meanings set forth below:

- 1.1 Building. The "Building" (including the Leased Premises) is commonly known as The Church Street Exchange at Church Street Station, located on that certain tract of land (the "Land") located in Orlando, Florida, and more particularly described on Exhibit "A", attached hereto and incorporated herein by reference, together with all other buildings, structures, fixtures and other improvements located thereon from time to time. The Building and the Land are collectively referred to herein as the "Property".
- 1.2 Leased Premises. The "Leased Premises" hereby leased to Tenant is that area shown on Exhibit "B", attached hereto and incorporated herein by reference, which consists of approximately 17,189± rentable square feet (subject to final measurements performed according to the most recent BOMA guidelines for office space) and is located on the Ground Floor of the Building.
- 1.3 Lease Term. The "Lease Term" shall commence on the Commencement Date (as hereinafter defined) and continue for forty-eight (48) months after the Commencement Date.
- 1.4 Commencement Date. The "Commencement Date", upon which Tenant's obligations to perform under this Lease shall commence, shall be November 1, 2017.
- 1.5 Base Rent. The "Base Rent" for the Leased Premises during the Lease Term is as set forth on Exhibit "G", attached hereto and incorporated herein, plus sales tax, or any other tax, which may be imposed upon rents now or hereafter by any governmental authority.
- 1.6 Security Deposit. Intentionally Deleted.

1.7 Addresses:

Landlord's Address:

TSLF Church Street Exchange, LLC
c/o Tremont Realty Capital
255 Washington Street, Suite 300
Newton, MA 02458
Attn: Steven Skelley

Tenant's Address:

University of Central Florida
4365 Andromeda Loop North, Suite 328
Orlando, Florida 32816
Attn: William F. Merck, II, Vice President

With a copy to:

Lowndes Drosdick Doster Kantor & Reed
450 South Orange Avenue, Suite 200
Orlando, Florida 32801
Attn: Timothy R. Miedona, Esquire

With a copy to:

University of Central Florida
4365 Andromeda Loop North, Suite 360
Orlando, Florida 32816
Attn: Scott Cole, Esq., General Counsel

Landlord and Tenant, by written notice to the other may change from time to time the foregoing addresses, and Landlord, by written notice to Tenant, may notify Tenant from time to time of the appointment of a "Building Manager" and such Building Manager's address.

ARTICLE 2 - ADDITIONAL DEFINITIONS

The following list sets out certain additional defined terms pertaining to this Lease:

- 2.1 Abandon. "Abandon" means the vacating of all or a substantial portion of the Leased Premises by Tenant, whether or not Tenant is in default of the Rent or other payments due under this Lease.
- 2.2 Act of God or Force Majeure. An "Act of God" or "Force Majeure" is defined for purposes of this Lease as strikes, lockouts, sitdowns, material or labor restrictions by any governmental authority, unusual transportation delays, riots, floods, washouts, explosions, earthquakes, fire storms, weather (including wet grounds or inclement weather which prevents construction), acts of the public enemy, wars, insurrections, terrorism and/or any other cause not reasonably within the control of Landlord or which by the exercise of due diligence Landlord is unable wholly or in part to prevent or overcome. Landlord shall not be required to perform any covenant or obligation in this Lease, or be liable in damages to Tenant, so long as the performance or nonperformance of the covenant or obligation is delayed or prevented by an Act of God, Force Majeure or by Tenant. Except as provided below, Tenant shall not be required to perform any covenant or obligation in this Lease, or be liable to Landlord, so long as the performance or nonperformance of the covenant or obligation is delayed or prevented by an Act of God or Force Majeure. Notwithstanding the foregoing or anything to the contrary contained herein, no Act of God or Force Majeure event shall excuse performance of

Tenant's obligations with regard to the payment of Rent and/or other charges to be paid by Tenant pursuant to this Lease except as otherwise provided herein.

- 2.3 Canvs Sublease. The "Canvs Sublease" shall mean a sublease of the Leased Premises from Tenant to Canvsorl, Inc., a copy of which will be provided to Landlord prior to execution of this Lease and which shall be entered simultaneously with this Lease.
- 2.4 Common Areas. The "Common Areas" are those areas of the Property devoted to public corridors, elevators, elevator foyers, lobbies, janitor closets, restrooms, mechanical rooms, Building storage rooms, Building engineering offices, mail rooms, Building repair shops, Building receiving areas, parking spaces or areas and other similar facilities or spaces, which are designated by Landlord from time to time for the common use of, or providing service to, two or more tenants.
- 2.5 Guarantor. Intentionally Deleted.
- 2.6 Lease Year. Each succeeding twelve (12) month period commencing with the first day of the first full calendar month of the Lease Term shall be a "Lease Year".
- 2.7 Permitted Use. Tenant shall use and occupy the Leased Premises as a co-working space, classroom or for other collaborative educational purposes, and shall not use, nor occupy the Leased Premises for any other purposes without Landlord's prior written consent, which consent shall not be unreasonably withheld conditioned or delayed. Tenant hereby acknowledges that its use was a material inducement for Landlord entering into this Lease, and that a key factor in the economic success of Church Street Exchange is an appropriate tenant mix. Landlord, in its sole discretion, shall determine the appropriate mix of tenants and uses for Church Street Exchange; provided, however, that so long as Tenant or a subtenant is using the space as a co-working space, then Landlord shall not lease space in the Church Street Exchange building to any to other national or regional co-working operators, such as WeWork, Regus or similar national or regional operators, that provide desk space, offices and shared conference and communal areas in a leased space greater than 8,500 square feet without Tenant's approval, not to be unreasonably withheld. Landlord may however lease shared office space in the Church Street Exchange building with up to four (4) unrelated businesses sharing once leased space at the Landlord's discretion. The Landlord's limitation on leasing to national co-working operators set forth in the prior sentence shall expire on the third (3rd) anniversary of the Commencement Date. Furthermore, Tenant shall not conduct any business on the Leased Premises that would violate the restrictive use provisions set forth in Exhibit "K" to this Lease or that would interfere with, violate the use rights of, injure or annoy other lessees within Church Street Exchange, or would violate any law, ordinance, government regulation or directive.
- 2.8 Rules and Regulations. Tenant agrees to abide by all rules and regulations for the Property ("Rules and Regulations") attached hereto as Exhibit "E" and incorporated herein by this reference, as amended and supplemented from time to time by Landlord in Landlord's sole and absolute discretion, so long as amendments or new rules do not enlarge Tenant's obligations, or unreasonably or substantially diminish Tenant's rights

under this Lease. Landlord will not be liable to Tenant for violation of the same or any other act or omission by any other tenant, but shall uniformly enforce the Rules and Regulations.

ARTICLE 3 - GRANTING AND RENT PROVISIONS

- 3.1 Grant of Leased Premises. In consideration of the obligation of Tenant to pay the Rent (defined below) and other charges as provided in this Lease and in consideration of the performance by Tenant of the other terms and provisions of this Lease, Landlord hereby demises and leases the Leased Premises to Tenant, and Tenant hereby takes and leases the Leased Premises from Landlord, during the Lease Term, subject to the terms and provisions of this Lease.
- 3.2 Base Rent. Beginning on the Commencement Date, Tenant agrees to pay monthly as Base Rent during the Lease Term the sums of money set forth on Exhibit "G", plus sales tax, or any other tax, which may be imposed upon such sums now or hereafter by any governmental authority, which amounts shall be payable to Landlord at the address set forth in Section 13.5 or at such other address that Landlord in writing shall notify Tenant. Tenant's obligation to pay such sales tax or other tax set forth in the previous sentence shall be subject to the provisions of Section 13.20 below. Upon the Effective Date of this Lease, the following shall be due and payable: the first monthly installment of Base Rent for the first month's Base Rent payable under this Lease, plus applicable sales tax (if applicable as further discussed in Section 13.20 below). Monthly installment payments of Base Rent shall be due and payable on or before the first day of each calendar month thereafter during the Lease Term, in the amounts set forth on Exhibit "G", without demand, offset or deduction. If the Commencement Date should be a date other than the first day of a calendar month, the monthly Base Rent shall be prorated to the end of that calendar month, and all succeeding installments of Base Rent shall be payable on or before the first day of each succeeding calendar month during the Lease Term. In addition to Tenant's requirement to pay Base Rent hereunder, Tenant shall pay Additional Rent (as hereinafter defined) to Landlord.
- 3.3 Additional Rent. Commencing on the 1st anniversary of the Commencement Date and continuing throughout the Lease Term, Tenant shall pay to Landlord, as Additional Rent, the total amount of Operating Expenses above the actual Operating Expenses for Calendar Year 2017 ("Base Year"). Tenant's Base Year shall be defined as total Operating Expenses for Calendar Year 2017.

3.3.1 Definitions of Material Terms.

(a) All sums other than Base Rent due from Tenant to Landlord under this Lease shall constitute "Additional Rent."

(b) The term "Operating Expenses" shall mean (i) any and all costs and expenses of Landlord's ownership, administration, management, operation, maintenance, service and repair of the Property, or any portions thereof, including, without limitation, wages, salaries, taxes, insurance, licenses, permits, benefits and other payroll burdens of

all employees directly related to the management, operation and maintenance of the Property; security, guard and other similar services and devices; legal and accounting services directly related to the management, operation, maintenance, service and/or repair of the Property; Common Area janitorial, cleaning and maintenance services; management service costs, fees and expenses; Building management office rent or rental value (based on market rent for similar office space); power, electricity, fuel, gas, water, waste disposal and other utility costs and expenses; landscaping care and maintenance; garbage removal; maintenance, labor, materials and related services and expenses, including, but not limited to, license, permit and inspection fees; window cleaning; mechanical, electrical and plumbing system maintenance and repair; charges for rental equipment; all assessments, charges, fees and other expenses for which Landlord is obligated, in its capacity as the owner of the Property pursuant to any restrictive covenants or other recorded matters of title now or hereafter affecting the Property or portion thereof; pest control; maintenance contracts, and any and all other utilities, materials, supplies, maintenance, service, and repairs related to the Property, and (ii) any and all costs and expenses of procuring and maintaining casualty, liability, loss of income, windstorm and other insurance applicable to the Property, or portions thereof. Operating Expenses and Taxes (as defined below) shall be grossed up to reflect a 95% occupied and assessed Building.

Excluded from Operating Expenses; costs reimbursed by insurance; costs in connection with preparing space for a new tenant; advertising expenses; real estate brokers' commissions; franchise, transfer, inheritance or capital stock taxes or other taxes imposed upon or measured by the income or profits of Landlord; financing or refinancing costs, interest on debt or amortization or rental payments under any underlying encumbrance; any expenses incurred by Landlord which are customarily considered capital in nature and amortized for tax purposes (unless the same are intended to reduce overall Operating Expenses, in which event, the costs of such capital items shall be included as part of Operating Expenses, amortized over their useful in accordance with generally accepted accounting principles); and administrative wages and salaries.

If for any reason, Landlord shall make an expenditure, directly or indirectly, which is intended to reduce any of the Operating Expenses and which, by generally accepted accounting principles would be treated as a capital expenditure, the annual Operating Expenses of the Property shall also include the amortization of such capital expenditure based upon the useful life of the expenditure (not less than five (5) years).

In the event during the Lease Term any alteration of or improvement to any portion of the Property shall be required to maintain compliance with applicable laws, excluding the Leased Premises or any premises leased or available to be leased by other tenants of the Property (a "Mandated Alteration"), which, by generally accepted accounting principles would be treated as a capital expenditure, then, provided that such Mandated Alteration is the result of the adoption of a new or changed ordinance, act, statute, order, mandate, rule or regulation or interpretation thereof not existing on the Commencement Date of this Lease, the annual Operating Expenses of the Property shall also include the annual amortization of such capital expenditure based upon the useful life of the expenditure (not less than five (5) years).

(c) Tenant shall not be subject to any costs incurred to test, survey, clean up, contain, abate, remove or otherwise remedy hazardous materials, mold, hazardous wastes or asbestos containing materials from the Building or costs associated with the Landlord's efforts to comply with the Americans with Disabilities Act, except within the Leased Premises to the extent caused by Tenant or required due to work performed by Tenant.

(d) The term "Taxes" shall mean the gross amount of all impositions, taxes, assessments (special or otherwise), water and sewer assessments and other governmental liens, fees or charges of any and every kind, nature and sort whatsoever, ordinary and extraordinary, foreseen and unforeseen, and substitutes therefore, including all taxes whatsoever (except only those taxes of the following categories: any inheritance, estate, succession, transfer or gift taxes imposed upon Landlord or any income taxes specifically payable by Landlord as a separate tax-paying entity without regard to Landlord's income source as arising from or out of the Property) attributable in any manner to the Property or the rents (however the term may be defined) receivable therefrom, or any part thereof, or any use thereon, or any facility located therein or used in conjunction therewith or any charge or other amount required to be paid to any governmental authority, whether or not any of the foregoing shall be designated "real estate tax," "rental tax," "excise tax," "business tax" or designated in any other manner, together with any expenses for tax consulting services and legal services in appealing or protesting such taxes.

(e) The term "Tenant's Proportionate Share" shall mean the following percentage: 19.38%. Landlord and Tenant acknowledge and agree that Tenant's Proportionate Share has been obtained by dividing the rentable square footage of the Leased Premises as set forth in Section 1.2 of this Lease (unless increased by expansion of the Leased Premises), by the total rentable square footage of the Property, which Landlord and Tenant hereby stipulate for all purposes is 88,698 rentable square feet, and multiplying such quotient by 100. In the event Tenant's Proportionate Share is changed during a calendar year by reason of a change in the rentable square footage of the Leased Premises, Tenant's Proportionate Share shall thereafter mean the result obtained by dividing the new rentable square footage of the Leased Premises by the rentable square footage of the Property set forth above and multiplying such quotient by 100.

(f) The term "Rent" shall mean the sum of the Base Rent and Additional Rent and any and all other sums payable by Tenant under this Lease. Tenant agrees to pay Additional Rent upon demand by Landlord, and agrees that Additional Rent is to be treated in the same manner as Base Rent, including, but not limited to, in terms of the lien for Rent herein provided and in terms of the default provisions contained herein.

3.3.2 Estimates of Operating Expenses and Taxes. Landlord may, if Landlord so elects and at any time or from time to time during such year (but not more often than once per quarter), estimate the amount of Operating Expenses and Taxes that will be paid or incurred in any Lease Year. In such case as to all Operating Expenses and Taxes, if the anticipated Operating Expenses and Taxes for any calendar year shall be greater than the Operating Expenses and Taxes for the Base Year, Landlord may give Tenant written notice of the amount of such estimated Operating Expenses and Taxes, the excess of such amounts over the Base Year and Tenant's Proportionate Share of such amount that will be

due each month from Tenant. In such event, Tenant shall, subsequent to receipt of such written notice, pay monthly Tenant's Proportionate Share of such amounts at the same time and in the same manner as Base Rent is due from Tenant hereunder.

3.3.3 Annual Reconciliation. Landlord shall deliver to Tenant an annual reconciliation of the Operating Expenses and Taxes within one hundred twenty (120) days after the end of each calendar year. If the total amount Tenant paid for increases in estimated Operating Expenses and Taxes is less than Tenant's Proportionate Share of the actual amount of such increases, Tenant shall pay to Landlord as Additional Rent in one (1) lump sum the difference between the total amount actually paid by Tenant for such year and Tenant's Proportionate Share of the actual amount, and this lump sum payment shall be made within sixty (60) days of receipt of Landlord's statement therefor. In the event of overpayment by Tenant, Landlord shall apply the excess to the next payment of Rent when due, until such excess is exhausted or until no further payments of Rent are due, in which case, Landlord shall pay to Tenant the balance of such excess within thirty (30) days thereafter. Tenant shall contract with the providers of electricity (as determined by a separate meter or submeter either existing or to be installed by Landlord at Landlord's expense) and janitorial service for the Leased Premises directly.

3.3.4 Prorations. If the Commencement Date is other than January 1 or if the expiration date of the Lease Term is other than December 31, Tenant's Proportionate Share of any Operating Expenses and Taxes for such year shall be prorated based upon a thirty (30) day month. Even if the Lease Term has expired, and Tenant has vacated the Leased Premises when the final determination is made of Tenant's Proportionate Share of Operating Expenses and Taxes for the year in which this Lease expires, Tenant shall pay any increase due over the estimated amount paid and conversely any overpayment made shall be rebated by Landlord to Tenant, all as specified above. Nothing herein contained shall be construed to relieve Tenant, or imply that Tenant is relieved of, the liability for or the obligation to immediately pay any Additional Rent due for the final months of this Lease by reason of the provisions of this section.

3.3.5 Audit. Tenant shall have the right to have Landlord's books and records pertaining to Operating Expenses and Taxes for any year during the Lease Term reviewed, copied and audited ("Tenant's Audit") provided that (i) such right shall not be exercised more than once during any calendar year; (ii) if Tenant elects to conduct Tenant's Audit, Tenant shall provide Landlord with written notice thereof no later than three hundred sixty five (365) days following Tenant's receipt of Landlord's statement of Operating Expenses and Taxes for the year to which Tenant's Audit will apply; (iii) Tenant shall have no right to conduct Tenant's Audit if Tenant is, either at the time Tenant forwards Landlord written notice that Tenant's Audit will be conducted or at any time during Tenant's Audit, then in default under this Lease; (iv) conducting Tenant's Audit shall not relieve Tenant from the obligation to pay Tenant's Proportionate Share of Operating Expenses and Taxes, as billed by Landlord, pending the outcome of such audit; (v) Tenant's right to conduct such audit for any calendar year shall expire three hundred sixty-five (365) days following Tenant's receipt of Landlord's statement of Operating Expenses and Taxes for such year, and if Landlord has not received written notice of such audit within such three hundred sixty five (365) day period, Tenant shall have waived its

right to conduct Tenant's Audit for such calendar year; (vi) Tenant's Audit shall be conducted by a Certified Public Accountant not employed by or otherwise affiliated with Tenant, except to the extent that such accountant has been engaged by Tenant to conduct Tenant's Audit; (vii) Tenant's Audit shall be conducted at Landlord's office where the records of the year in question are maintained by Landlord, during Landlord's normal business hours; and (viii) Tenant's Audit shall be conducted at Tenant's sole cost and expense. However, if such audit demonstrates to Landlord's reasonable satisfaction that Landlord has overstated the Operating Expenses and Taxes for the year audited by more than five percent (5%), Landlord shall reimburse Tenant for Tenant's actual reasonable cost incurred in conducting Tenant's Audit, within thirty (30) days of Landlord's receipt of documentation reasonably acceptable to Landlord reflecting the amount of such overpayment and the cost of Tenant's Audit.

No subtenant of Tenant shall have any right to audit, copy or review any of Landlord's books or records, or to dispute any Additional Rent. Tenant shall provide, as a condition precedent to Landlord's duty to agree to any change in the Operating Expenses and Taxes, a copy of any audit conducted by Tenant or any agent of Tenant.

3.3.6 Maximum Annual Increase. Notwithstanding anything herein to the contrary, Tenant's annual assessment related to Landlord controllable Operating Expenses shall not exceed one hundred five percent (105%) of the non-cumulative assessment for the previous year. For purposes hereof, "controllable Operating Expenses" mean all Operating Expenses other than Taxes, utilities and insurance.

3.4 Legal Tender. All sums due and payable pursuant to the terms and provisions of this Lease shall be paid by Tenant without offset, demand or other credit, and shall be payable only in lawful money of the United States of America which shall be legal tender in payment of all debts and dues, public and private, at the time of payment.

3.5 Late Payment Charge. Other remedies for nonpayment of Rent notwithstanding, if any monthly Rent payment is not received by Landlord on or before the fifth (5th) day of the month for which such Rent payment is due, or if any other payment hereunder due Landlord by Tenant is not received by Landlord on or before the fifth (5th) day of the month next following the month in which Tenant was invoiced (so long as Tenant received at least ten (10) days to pay such invoice), a late payment charge of five percent (5%) of such past due amount shall become due and payable in addition to such amounts owed under this Lease. If during the Lease Term, Landlord receives two (2) or more checks from Tenant which are returned by Tenant's bank for insufficient funds, such occurrence shall automatically constitute an Event of Default, and Landlord, in addition to any and all other rights or remedies afforded it hereunder, may require that all checks thereafter be bank certified or cashier's checks (without limiting Landlord's other remedies). All bank service charges resulting from any bad checks shall be borne by Tenant.

3.6 Security Deposits. Intentionally Deleted.

3.7 Reserved.

3.8 Holding Over. Any holding over by Tenant after expiration of the Lease Term shall not constitute a renewal or extension of the Lease or give Tenant any rights in or to the Leased Premises except as expressly provided in this Lease. Any holding over after the expiration of the Lease without the consent of Landlord shall be construed to be a tenancy from month to month on the same terms and conditions herein specified except for Base Rent, as defined in Exhibit "G", which shall be calculated as follows: Base Rent shall be equal to two hundred percent (200%) of the Base Rent of the last month of the previous Lease Term.

ARTICLE 4 - OCCUPANCY, USE AND OPERATIONS

4.1 Use and Operation of Tenant's Business. Tenant represents and warrants to Landlord that the Leased Premises shall be used and occupied only for the Permitted Use. Tenant acknowledges that its type of business, as specified herein, is a material consideration for Landlord's execution of this Lease. Tenant shall not change the nature of its business without the prior written approval of Landlord, which approval shall not be unreasonably withheld. Furthermore, Tenant shall not use the Leased Premises for any purpose prohibited by the Rules and Regulations. Tenant shall occupy the Leased Premises, conduct its business and control its agents, licensees, employees, invitees and visitors in such a manner as is lawful, reputable and will not create a nuisance, or disturb any third party. Tenant shall in good faith continuously throughout the Lease Term conduct and carry on its business in the entire Leased Premises. Tenant and its agents, employees, licensees, invitees and customers shall have the nonexclusive right to use the Common Areas in common with Landlord, other tenants of the Property and other persons designated by Landlord, subject to reasonable rules and regulations governing use that Landlord from time to time prescribes. Tenant shall not solicit business, distribute handbills or display merchandise within the Common Areas (except on the second floor of the Building), or take any action which would interfere with the rights of other persons to use the Common Areas. Tenant shall not permit any operation which emits any odor or matter which intrudes into other portions of the Property, use any apparatus or machine which makes undue noise or causes vibration in any portion of the Property or otherwise interfere with, annoy or disturb any other tenant in its normal business operations or Landlord in its management of the Property. Tenant shall be entitled to have a small kitchen for food preparation for use in the Leased Premises. Tenant shall neither permit any waste on the Leased Premises nor allow the Leased Premises to be used in any way which would, in the opinion of Landlord, be extra hazardous on account of fire or which would in any way increase or render void Landlord's insurance on the Property.

4.2 Signs. Tenant shall be entitled to a listing on the Building directory and at the entrance to its Leased Premises, provided by Landlord at Tenant's expense. Otherwise, no signs of any type or description shall be erected, placed or painted in or about the Leased Premises or the Property without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion. No signs of any type or description shall be erected, placed or painted in or about the Leased Premises or the Property unless

in compliance with the Sign Criteria attached as Exhibit "L". Landlord reserves the right to remove, at Tenant's expense, all signs other than signs approved in writing by Landlord under this Section 4.2, without notice to Tenant and without liability to Tenant for any damages sustained by Tenant as a result thereof. The foregoing notwithstanding, Tenant shall be entitled to space on any common signage serving Church Street Exchange, whether on the inside or outside of the Building. Any sign placed on any common signage serving Church Street Exchange by Tenant must be installed in compliance with Landlord's sign criteria for such common signage and shall be removed within thirty (30) days after the termination of this Lease for any reason. Any failure to so remove such sign shall automatically vest ownership in same to Landlord. Tenant shall be liable to Landlord for any cost or expense incurred by Landlord in removing such sign and for any damage caused by the removal of such sign.

- 4.3 Compliance with Laws; Rules and Regulations. Tenant, at Tenant's sole cost and expense, shall comply with all laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction over the use, condition or occupancy of the Leased Premises in connection with Tenant's business operation on the Leased Premises. To the extent expressly permitted by Florida Statutes 768.28, Tenant further agrees to indemnify and hold harmless Landlord from and against any and all claims, liability, injury, damage, causes of action, costs or expenses of any nature whatsoever which Landlord suffers as a result of Tenant's failure to comply with such laws, ordinances, orders, rules and regulations. Tenant shall procure at its own expense all permits and licenses required for the transaction of its business in the Leased Premises. Tenant will comply with the Rules and Regulations of the Property as reasonably adopted by Landlord from time to time. If Tenant is not complying with such Rules and Regulations or if Tenant is in any way not complying with this Article 4, then, notwithstanding anything to the contrary contained herein, after written notice to Tenant and expiration of a ten (10) business day cure period, Landlord may, at its election, enter the Leased Premises without liability therefor and fulfill Tenant's obligations and Landlord shall not be deemed guilty of trespass, or become liable for any loss or damage which may be occasioned thereby, except to the extent of Landlord's negligence or intentional misconduct. Tenant shall reimburse Landlord on demand for any expenses which Landlord may incur in effecting compliance with Tenant's obligations. Tenant shall not be obligated to make structural alterations to comply with laws unless related to or caused or required by Tenant's specific use of the Leased Premises.

The parties acknowledge that the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 *et seq.*) and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the "ADA") establish requirements for business operations, accessibility and barrier removal, and that such requirements may or may not apply to the Leased Premises and Building depending on, among other things: (1) whether Tenant's business is deemed a "public accommodation" or "commercial facility", (2) whether such requirements are "readily achievable", and (3) whether a given alteration affects a "primary function area" or triggers "path of travel" requirements. The parties hereby agree that Landlord shall be responsible for ADA Title III compliance in the Common Areas and Leased Premises, except that Landlord may perform, or require that Tenant

perform, and Tenant shall be responsible for the cost of, ADA Title III "path of travel" requirements triggered by alterations in the Leased Premises by Tenant. Landlord will take action to ensure that the Building and the Leased Premises are ADA compliant on the Commencement Date. Tenant shall be solely responsible for requirements under Title I of the ADA relating to Tenant's employees.

- 4.4 Right of Entry; Inspection. Landlord or its authorized agents shall at any and all reasonable times upon reasonable notice to Tenant have the right to enter the Leased Premises to inspect the same, to show the Leased Premises to prospective mortgagees and purchasers, and, during the last six (6) months of the Lease Term, to prospective tenants, and to alter, improve or repair the Leased Premises or any other portion of the Property if such alterations, improvements or repair are reasonably required by any governmental entity or deemed reasonably necessary by Landlord, and such work does not unreasonably interfere with Tenant's conduct of business. Tenant hereby waives any claim for abatement or reduction of Rent and for any other loss occasioned thereby other than any loss or damage occasioned by the negligence or misconduct of Landlord or its agents. Tenant shall not prohibit Landlord from entering the Leased Premises upon reasonable notice from Landlord (except in case of an emergency, in which event, no notice shall be required). Tenant may change Landlord's lock system provided that Tenant first supply Landlord with the key to such replacement lock system. Landlord shall have the right at all times to enter the Leased Premises by any means in the event of an emergency without liability therefor.
- 4.5 Personal Property and Rent Taxes. Tenant shall be liable for all tangible personal property taxes levied against leasehold improvements, merchandise, personal property, trade fixtures and all other taxable property located within the Leased Premises. If any such taxes for which Tenant is liable are levied against Landlord or Landlord's property, Tenant shall pay to Landlord, upon demand, that part of such taxes for which Tenant is liable. Subject to Section 13.20 below, Tenant shall pay when due any and all applicable sales or use tax, or any other tax, which may be imposed now or hereafter by any governmental authority, related to Tenant's use and operation of its business in the Leased Premises.
- 4.6 Parking. Tenant hereby agrees that Tenant shall comply with all parking regulations in connection with the Leased Premises and Building. Landlord will use reasonable efforts to secure a discounted parking rate from the City of Orlando for tenants of the Building. However, Tenant is responsible for securing such parking, at Tenant's sole expense.
- 4.7 Security. With respect to security for the Property, Landlord and Tenant hereby agree as follows:
- 4.7.1 Landlord's Responsibility. Landlord shall provide such security services and devices to the Property as Landlord desires in its sole and absolute discretion, but which Landlord agrees shall at all times during this Lease at least consist of a security guard at the Property twenty-four (24) hours per day, seven (7) days per week. Tenant acknowledges that Landlord does not insure, promise or guarantee the safety of Tenant or Tenant's agents, employees, licensees, invitees, customers, guests or invitees, or to any

other person whomsoever, and cannot prohibit or warrant against criminal or intentional acts of other individuals. Landlord shall in no way be liable for damage or destruction to property or injury or death to any person as a result of criminal or intentional acts of others. In addition, Tenant acknowledges that Landlord has no control over the security, access to, or operation of the parking areas and other areas adjacent to the Property which are not owned by Landlord and agrees that Landlord shall not have any duty to Tenant or Tenant's agents, employees, licensees, customers, guests or invitees, or to any other person whomsoever, for any lack of security at, in or around such parking areas and other areas not owned by Landlord. Tenant acknowledges and agrees that such security services and devices are intended to supplement, not replace, Tenant's own security arrangements for the interior of the Leased Premises.

4.7.2 Tenant's Responsibility. Tenant shall: (i) promptly report the loss or theft of all keys or access devices such as access cards which would permit unauthorized entrance to the Leased Premises or Building, (ii) promptly report to Landlord door-to-door solicitation or other unauthorized activity in the Building or parking areas, and (iii) promptly inform Landlord in the event of a break-in or other emergency.

4.7.3 Interruption of Security. Tenant acknowledges that the above security provisions may be suspended or modified at Landlord's sole discretion or as a result of (non-financial) causes beyond the reasonable control of Landlord. No such interruption, discontinuance or modification of security service will constitute an eviction, constructive eviction, or a disturbance of Tenant's use and possession of the Leased Premises, and further, no such interruption, discontinuance or modification of security service will render Landlord liable to Tenant or Tenant's agents, employees, licensees, invitees, customers, guests or invitees, or to any other person whomsoever, for damages, abatement of Rent, or otherwise, or relieve Tenant of the responsibility of performing Tenant's obligations under this Lease.

4.7.4 Landlord's Liability. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall have no liability to Tenant or Tenant's agents, employees, licensees, customers, guests or invitees, or to any other person whomsoever, for the safety or security of the Property or any parking area or structure, except to the extent caused by Landlord's breach of its obligations hereunder.

ARTICLE 5 - UTILITIES AND SERVICE

The Tenant understands that this lease is a Modified Gross Lease and the Base Rent for the Base Year is inclusive of Real Estate Taxes, and Operating Expenses for the Base Year. After the Base Year and throughout the remaining Term of this Lease, Tenant shall be responsible for Tenant's Proportionate Share of any excess amounts of Real Estate Taxes, and Operating Expenses above the Base Year amounts, subject to the cap set forth in Section 3.3.6 above. Notwithstanding the foregoing, Tenant shall be responsible for all utilities that are separately metered to the Tenant's Leased Premises and further tenant shall be responsible for all janitorial services within the Tenant's Leased Premises. Tenant hereby agrees that all utilities for the Leased Premises may be separately metered with such sub meter to be located in the Leased Premises. Tenant hereby agrees that Landlord or its authorized agents shall at any and all

reasonable times upon reasonable notice to Tenant have the right to enter the Leased Premises to inspect and read such sub meter located in the Leased Premises. Landlord, however, shall be responsible for the electricity costs related to the chillers serving Tenant's HVAC, but the same shall be part of the Operating Expenses.

Subject to the Building Rules and Regulations, Landlord shall provide electricity, water, HVAC service providing adequate heating and cooling, and elevator service on a twenty-four (24) hour basis, seven (7) days per week, provided, however, for HVAC use requested by Tenant outside the Building Hours, Landlord will charge Tenant \$50 per hour for such HVAC usage, which charges shall be payable thirty (30) days after billed by Landlord. Landlord shall provide or cause to be provided the mains, conduits and other facilities necessary to supply water, electricity, telephone service and sewage service to the Leased Premises. Landlord shall provide routine maintenance, painting, plumbing and electric lighting service for all Common Areas and special service areas, if any, as designated by Landlord from time to time, of the Property in the manner and to the extent deemed by the Landlord to be standard. Landlord may, in its sole discretion, provide additional services not enumerated herein. All of the above utility obligations of Landlord shall be subject to any and all Acts of God and Force Majeure, and Landlord shall not be liable for any interruption whatsoever in utility services furnished by it which are due to Acts of God or Force Majeure. Moreover, Landlord shall not be liable for any interruption of such utility services which continues during any reasonable period necessary to restore such service upon the occurrence of any of the foregoing conditions. Failure by Landlord to any extent to provide any services of Landlord specified herein or any other services not specified, or any cessation thereof, shall not render Landlord liable in any respect for damages to either person or property (other than if caused by the gross negligence or willful misconduct of Landlord, its agents or employees), be construed as an eviction of Tenant, work an abatement of Rent (unless such interruption not due to Acts of God or Force Majeure lasts for more than three (3) days) or relieve Tenant from fulfillment of any covenant in this Lease. If any of the equipment or machinery necessary or useful for provision of any utility services, and for which Landlord is responsible, breaks down, or for any cause ceases to function properly, Landlord shall use reasonable diligence to repair the same promptly, but Tenant shall have no claim for rebate of Rent or damages on account of any interruption in service occasioned from the repairs (unless such interruption not due to Acts of God or Force Majeure last for more than three (3) consecutive days).

ARTICLE 6 - REPAIRS AND MAINTENANCE

- 6.1 Repairs and Maintenance. Landlord shall not be required to make any improvements, replacements or repairs of any kind or character to the Leased Premises during the Lease Term except as are set forth in this Lease. In addition to Landlord's other obligations under this Lease, Landlord shall maintain the roof, foundation, HVAC system, life safety systems, and Common Areas, including, without limitation, elevators and bathroom areas, exterior windows and the structural soundness of the exterior walls. Landlord shall not be liable to Tenant, except as may be expressly provided in this Lease, for any damage or inconvenience, and Tenant shall not be entitled to any damages nor to any abatement or reduction of Rent by reason of any repairs, alterations or additions made by Landlord under this Lease (other than if caused by the gross negligence or willful misconduct of Landlord, its agents or employees or if such repairs materially interfere

with Tenant's ability to use the Leased Premises for its Permitted Use). At the expiration or earlier termination of this Lease, by lapse of time or otherwise, Tenant shall deliver the Leased Premises to Landlord in as good condition as existed at the Commencement Date of this Lease, ordinary wear and tear and casualty excepted. The cost and expense of any repairs necessary to restore the condition of the Leased Premises shall be borne by Tenant and shall be remitted to Landlord by Tenant within fifteen (15) days of demand by Landlord therefore. Tenant shall be responsible for maintenance, repair and replacement of the air handlers located within the Leased Premises which are part of the HVAC system.

- 6.2 Janitorial Service. Tenant shall at its sole cost and responsibility provide commercially reasonable janitorial service to the Leased Premises during the Lease Term.
- 6.3 Leakage/Mold. Without limiting any of Landlord's obligations under the terms of this Lease, Landlord will promptly (within thirty (30) days of written notice) repair and remedy any water intrusion or leakage from the roof, ceiling, windows or window framing ("Leakage") into the Leased Premises. Tenant agrees to notify Landlord if Tenant observes mold, mildew and/or moisture conditions (collectively, "Mold") from any source, including leaks, and allow Landlord to evaluate the same. Landlord shall take all appropriate corrective actions, at Landlord's cost and expense subject to Tenant's timely notice to Landlord, to immediately remove the same and replace any damage done to the Leased Premises or Tenant's improvements, furniture, or fixtures due to such Mold. In the event of Landlord's failure to remedy any Leakage or Mold upon the expiration of thirty (30) days written notice from Tenant, then, at Tenant's option, Tenant may perform all work necessary to remedy the problem and Landlord shall reimburse Tenant for all such costs within thirty (30) days of invoice.

ARTICLE 7 - ALTERATIONS AND IMPROVEMENTS

- 7.1 Construction. Tenant acknowledges and agrees that Landlord has not undertaken to perform any modification, alteration or improvement to the Leased Premises, and Tenant further waives any defects in the Leased Premises and acknowledges and accepts, as of occupancy, (i) the Leased Premises as suitable for the purpose for which they are leased in its "AS-IS WHERE-IS" condition, and (ii) the Property, including, but not limited to, the Leased Premises, and every part and appurtenance thereof as being in good and satisfactory condition. Notwithstanding the foregoing, Landlord covenants that, to the best of Landlord's actual knowledge without independent investigation, the Leased Premises have been constructed in accordance with all applicable county, code and state law requirements at the time of construction. Upon the request of Landlord, Tenant shall deliver to Landlord a completed Memorandum of Acceptance of Leased Premises in Landlord's prescribed form as set forth in Exhibit "F", attached hereto and incorporated herein by reference.
- 7.2 Tenant Improvements. Tenant shall not make or allow to be made any alterations, physical additions or improvements in or to the Leased Premises without first obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. To the extent Tenant proposes to undertake any alterations,

additions or improvements to the Leased Premises following Tenant's acceptance of the Leased Premises, Tenant shall furnish, at Tenant's sole cost and expense, complete plans and specifications for any proposed alteration, addition or improvement for review and reasonable approval by Landlord. Any alterations, physical additions or improvements to the Leased Premises made by or installed by either party hereto shall remain upon and be surrendered with the Leased Premises and become the property of Landlord upon the expiration or earlier termination of this Lease without credit to Tenant. This clause shall not apply to moveable equipment, furniture or moveable trade fixtures, or A/V equipment (including screen, monitors, and projectors), and security equipment owned by Tenant, which may be removed by Tenant at the end of the term of this Lease if Tenant is not then in default and if such equipment and furniture are not then subject to any other rights, liens and interests of Landlord. Tenant shall have no authority or power, express or implied, to create or cause any mechanic's or materialmen's lien, charge or encumbrance of any kind against the Leased Premises, the Property or any portion thereof and the interest of the Landlord shall not be subject to liens for improvements made by the Tenant, and Tenant shall so inform any party with whom it contracts for labor or materials for the Leased Premises. Tenant acknowledges that it has been advised by Landlord that Landlord has recorded (or will record upon taking title to said Land) a Notice of Limitation Upon Liens, in form as attached hereto as Exhibit "H", in the public records for the purpose of giving constructive notice of this provision. Tenant shall promptly cause any such liens that have arisen by reason or any work claimed to have been undertaken by or through Tenant to be released by payment, bonding or otherwise within thirty (30) days after request by Landlord, and, to the extent expressly permitted by Florida Statutes, shall indemnify Landlord against any costs or expenses arising out of any such claim.

Tenant shall make no improvements or additions to the Leased Premises without first providing Landlord with evidence of insurance in force in such types, amounts, form and content reasonably acceptable to Landlord. Such insurance shall (except for workmen's compensation insurance) name Landlord as an additional insured and shall include, without limitation, liability, and workmen's compensation insurance.

7.3 Right of First Refusal. Intentionally deleted.

7.4 Common and Service Areas. Landlord may close any part of the Common Area to make repairs or alterations but shall maintain reasonable access to the Leased Premises. Landlord may unilaterally change or alter any buildings comprising Church Street Exchange and may construct additional stores in the buildings comprising Church Street Exchange provided that Landlord shall not unreasonably interfere with Tenant's ability to conduct business on the Leased Premises or affect the aesthetic look of the Leased Premises. Landlord may close, alter, relocate or remove Common Areas, and may place, inspect, repair and replace in the Leased Premises (below floors, above ceilings or next to columns) utility lines, pipes and the like to serve other areas of the Property outside the Leased Premises and otherwise alter or modify the Property for such purposes, and, during the continuance of any such work, to take such measures for safety or for the expediting of such work as may be required, in Landlord's judgment, all without affecting any of Tenant's obligations hereunder, and in all events such activities do not

unreasonably interfere with Tenant's ability to conduct business on the Leased Premises or affect the aesthetic look of the Leased Premises, and all installations, such as pipes and wiring, shall be concealed. The Common Areas shall be under Landlord's sole operation and control. Tenant acknowledges that Landlord may be required to grant to major tenants of the Property the right to display and sell merchandise and services on portions of the Common Areas (with the exception of Tenant's storefront), and the rights herein granted to Tenant shall be subject to any such rights granted to major tenants. Tenant shall be responsible for and shall, to the extent expressly permitted by Florida Statutes, indemnify and hold Landlord harmless from any liability, loss or damage arising out of or caused by Tenant, its employees, subtenants, licensees, concessionaires, agents, suppliers, vendors, or service contractors, to any part of the Common Areas, or the Property whether such damages be structural or non-structural. Tenant may place furniture in the atrium located in the Common Area along the Leased Premises, subject to Landlord's approval, which approval shall not be unreasonably withheld. Such furniture must also be approved by the City of Orlando and may not violate any law.

ARTICLE 8 - CASUALTY AND CONDEMNATION

- 8.1 Casualty. Tenant shall give Landlord immediate notice of any change, damage or destruction to the Leased Premises by fire or other casualty. Following damage or destruction to the Leased Premises that is not considered substantial (as reasonably determined by Landlord), Landlord shall proceed with reasonable diligence to rebuild or repair the Leased Premises to substantially the same condition in which they existed prior to the damage or destruction provided that such damage or destruction was not caused by Tenant, in which event Tenant shall be responsible for such rebuild or repair. Following substantial damage or destruction to the Leased Premises, at Landlord's sole option, either (i) this Lease shall terminate, and, in such case, the Rent shall be abated for the unexpired portion of the Lease, effective as of the date of the casualty, or (ii) this Lease shall not terminate, and Landlord shall proceed with reasonable diligence to rebuild or repair the Leased Premises to substantially the same condition in which they existed prior to the damage or destruction. In the event of substantial damage or destruction, Landlord agrees to provide Tenant written notice of its decision within thirty (30) days of Tenant's written notice, and if Landlord chooses or is obligated to rebuild, Landlord shall also provide an estimate date of completion. In the event Landlord estimates that the Leased Premises cannot be repaired or reconstructed within two hundred ten (210) days of Tenant's written notice, Tenant shall have the right to terminate this Lease by providing Landlord written notice of its intent to terminate within ten (10) days of receipt of notice from Landlord of its intent to repair. If the Leased Premises are to be rebuilt or repaired and are untenantable in whole or in part following the damage or destruction, and the damage or destruction was not caused or contributed to by act or negligence of Tenant, its agents, employees, licensees or invitees or those for whom Tenant is responsible, the Rent payable under this Lease during the period for which the Leased Premises are untenantable shall be reduced to an amount determined by multiplying the sum of the Base Rent that would otherwise be payable but for this provision, by the ratio that the portion of the Leased Premises not rendered untenantable bears to the total rentable square footage of the Leased Premises prior to the casualty. Landlord's obligation to rebuild or restore under this section shall be limited to restoring the Leased Premises to

substantially the condition in which the same existed prior to the casualty, exclusive of any fixtures, alterations or improvements installed or constructed by or on behalf of Tenant, and Tenant shall, promptly, after the completion of such work by Landlord, proceed with reasonable diligence and at Tenant's sole cost and expense, to restore such improvements to substantially the condition in which the same existed prior to the casualty and to otherwise make the Leased Premises suitable for Tenant's use. If Landlord fails to proceed with reasonable diligence to pursue the restoration of the Leased Premises and Common Areas, or to substantially complete the necessary repairs or rebuilding within two hundred ten (210) days from the date that Landlord received written notice from Tenant of the damage or destruction (subject to extension due to an Act of God or Force Majeure), or if Landlord's notice indicates the Leased Premises cannot be rebuilt within such two hundred ten (210) day period, or if the damage occurs in the last year of the Term, Tenant may, at its option, terminate this Lease by delivering written notice of termination to Landlord, whereupon all rights and obligations under this Lease shall cease to exist. Nothing herein requires Landlord to make repairs in the event of damage, destruction or loss if any other provision of this section gives to Landlord the right or option in its discretion to decline to make the repairs or the right to decline responsibility for the cost of the repairs.

- 8.2 Condemnation. If all or a portion of the Leased Premises (or any portion of the Building or Common Areas which Tenant and Landlord reasonably deem necessary for its continued use of the Leased Premises), shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, this Lease shall at Landlord's or Tenant's option either (i) terminate and the Rent shall be abated during the unexpired portion of this Lease effective on the date physical possession is taken by the condemnation authority, or (ii) this Lease shall not terminate and Landlord shall restore and reconstruct, to the extent of condemnation proceeds (excluding any proceeds for the Land) actually received after the exercise by any mortgagee of the Property of an option to apply such proceeds against Landlord's debt to such mortgagee, the Property and other improvements on the Leased Premises to the extent necessary to make it reasonably tenantable. The Base Rent payable under this Lease during the unexpired portion of the Lease Term shall be reduced to an amount determined by multiplying the Base Rent that would otherwise be payable for this provision by the ratio that the portion of the Leased Premises not rendered untenable bears to the total rentable square footage of the Leased Premises prior to the casualty. If Landlord fails to substantially complete such restoration and reconstruction within one hundred eighty (180) days of the date of physical possession by the condemning authority work (subject to extension due to Act of God or Force Majeure), Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord, whereupon all rights and obligations of this Lease shall cease to exist. All compensation awarded for any taking (or the proceeds of private sale in lieu thereof), whether for the whole or a part of the Leased Premises, shall be the property of Landlord (whether such award is compensation for damaged to Landlord's or Tenant's interest in the Leased Premises), and Tenant hereby assigns all of its interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business, or moving expenses, or for taking of Tenant's fixtures and

other property within the Leased Premises if a separate award for such items is made to Tenant.

ARTICLE 9 – INSURANCE

- 9.1 **Property Insurance.** Landlord shall insure loss or damage to the Property by maintaining causes-of-loss special form insurance for the full replacement cost of the Property. Tenant shall have no right in or claim to the proceeds of any policy of insurance maintained by Landlord. Landlord shall not be obligated in any way or manner to insure any personal property (including, but not limited to, any furniture, machinery, goods or supplies) of Tenant upon or within the Leased Premises, any fixtures installed or paid for by Tenant upon or within the Leased Premises, or any improvements which Tenant may construct on the Leased Premises. Tenant at all times during the Lease Term shall, at its own cost and expense, keep in full force and effect insurance against fire and extended coverages for the actual cash value of any fixtures and improvements installed or constructed by or on behalf of Tenant, including, but not limited to, fixtures and improvements comprising Tenant's trade fixtures, furniture, machinery, goods, supplies and all other items of personal property of Tenant located on or within the Leased Premises. Tenant shall not do or permit to be done any act or thing as a result of which either (i) any policy of insurance of any kind covering any or all of the Property or any liability of Landlord in connection therewith, may become void or suspended, or (ii) the insurance risk under any such policy would (in the opinion of the insurer thereunder) be made greater than that which exists on the Commencement Date. If an increase in any insurance premiums paid by Landlord for the Property is caused by Tenant's use of the Leased Premises in a manner other than the Permitted Use, or if Tenant vacates the Leased Premises and causes an increase in such premiums (and said vacating is deemed a default hereunder), or Landlord incurs any expenses on behalf of Tenant in regard to providing insurance coverage as set forth herein, Tenant shall pay to Landlord within ten (10) days after receipt of Landlord's invoice therefor, the amount of such increase, which shall be Additional Rent hereunder.
- 9.2 **Waiver of Subrogation.** Notwithstanding anything in this Lease to the contrary, Landlord and Tenant hereby waive and release each other of and from any and all right of recovery, claim, action or cause of action, against each other, their agents, officers, members, directors, partners and employees, for any loss, damage or destruction that may occur to the Leased Premises, improvements to the Leased Premises, or personal property within the Leased Premises, by reason of fire or the elements, regardless of cause or origin, including the negligence or misconduct of Landlord or Tenant and their agents, officers, members, directors, partners and employees, but only to the extent that such loss, damage or destruction is or would be covered by property insurance carried or required to be carried hereunder. Landlord and Tenant agree immediately to give their respective insurance companies which have issued policies of insurance covering all risk of direct physical loss, written notice of the terms of the mutual waivers contained in this section, and to have the insurance policies properly endorsed, if necessary, to prevent the invalidation of the insurance coverages by reason of the mutual waivers. Notwithstanding the foregoing, so long as University of Central Florida Board of

Trustees is the Tenant under this Lease and elects to self-insure through the State of Florida, this Section 9.2 shall not be applicable to this Lease.

- 9.3 Hold Harmless. Other than death or injury to persons or damage or destruction to property resulting from the gross negligence or willful misconduct of Landlord or its agents and employees, Landlord shall not be liable to Tenant or any of Tenant's agents, employees, licensees, invitees, customers, guests or invitees, for any claims, losses, demands, causes of action, liability, judgments, damages, costs or expenses arising out of or connected with the death or injury to any person or damage or destruction to any property on or about the Leased Premises or the Property, including but not limited to, consequential damages, (i) caused by any negligent act or omission of Tenant, its employees, agents, subtenants, licensees and concessionaires, or (ii) arising out of the negligent use of the Leased Premises or the Property by Tenant, its employees, agents, subtenants, licensees, concessionaires or invitees or (iii) arising out of any breach or default by Tenant in the performance of its obligations under this Lease, and Tenant hereby agrees to hold harmless Landlord from any liability, loss, expense or claim (including, but not limited to, reasonable attorneys' fees and paralegals' fees) arising out of such damage or destruction to property or death or injury to any person, unless caused by the negligence of Landlord, its agents or employees. Landlord shall not be liable to Tenant for any liability, loss, expense, claim, death, damage or destruction that may be occasioned by or through the acts or omissions of other tenants of the Property or of any other persons whomsoever, excepting only duly authorized employees and agents of Landlord acting within the scope of their authority. Further, Tenant specifically agrees to be responsible for and hold harmless Landlord from any and all damages or expenses of whatever kind arising out of or caused by a burglary, theft, vandalism, malicious mischief or other illegal acts performed in, at or from the Leased Premises.

Landlord shall indemnify, defend and hold Tenant and its employees, agents, subtenants, licensees, concessionaires or invitees harmless from and against any claims, losses, demands, causes of action, liability, judgments, damages, costs or expenses arising out of or connected with the death or injury to any person or damage or destruction to any property on or about the Leased Premises or the Property, including, but not limited to, consequential damages, (i) caused by any act or omission of Landlord, its employees, agents, or contractors, or (ii) arising out of the use of or work performed on or about the Leased Premises or the Property by Landlord, its employees, agents, or contractors, or (iii) arising out of any breach or default by Landlord in the performance of its obligations under this Lease.

- 9.4 Liability Insurance. Tenant shall impose the following insurance upon Canvsorl, Inc. in the Canvs Sublease, and upon any other permitted subtenant or assignee, to be kept in force during the Lease Term: comprehensive general liability insurance with a combined single limit of not less than \$2,000,000 per occurrence for bodily injury and property damage (with an umbrella policy of \$5,000,000 in the aggregate), insuring both Landlord and Tenant against liability arising out of Tenant's use or occupancy of the Leased Premises, including, without limitation, the Common Areas and any other areas appurtenant thereto. Such insurance shall contain endorsements for contractual liability (other than rent) insurance relating to all obligations of Tenant pursuant to this Lease,

including its indemnification of Landlord, which shall include coverage for liability of Tenant's employees. So long as University of Central Florida Board of Trustees is the Tenant under this Lease, Tenant shall at its sole cost and expense obtain and keep in force during the Lease Term comprehensive general liability insurance with a combined single limit of not less than \$200,000 per person for bodily injury and property damage and \$300,000 each occurrence, insuring both Landlord and Tenant against liability arising out of Tenant's use or occupancy of the Leased Premises, including, without limitation, the Common Areas and any other areas appurtenant thereto.

- 9.5 Excess Liability. Tenant and any subtenants shall also name Landlord as additional insured on any excess liability policy that Tenant or any subtenant maintains.
- 9.6 Workers' Compensation Insurance and Employers Liability. At all times during the Lease Term, Tenant shall, at Tenant's sole cost and expense, keep in full force and effect statutory workers' compensation insurance as required by law and, so long as University of Central Florida Board of Trustees is the Tenant under this Lease, employers liability insurance in the amount of \$200,000 and for all other occupants, subtenants or assignees, employers liability insurance in the amount of \$500,000.
- 9.7 Insurance Requirements. All insurance certificates required to be carried by Tenant under this Lease shall be deposited with Landlord on the date Tenant first occupies the Leased Premises and upon renewals of such policies not less than ten (10) days after to the expiration of the term of such coverage. All insurance required to be carried by Tenant under this Lease shall be in form and content, and written by insurers acceptable to Landlord, in its reasonable discretion, provided however, Landlord hereby agrees that Tenant may self-insure through the State of Florida. In addition, insurance for all subtenants or any other occupant or assignee of this Lease that is not University of Central Board of Trustees must be written by insurers with an A.M. Best Rating of at least A-VII and Landlord (except for statutory workers' compensation insurance) shall be named as additional insured or loss payee, as applicable (without obligation to pay premiums). All policies shall provide that they may not be terminated without thirty (30) days' prior written notice to Landlord, and in the event Tenant's policy through the State of Florida does not contain such a provision, Tenant shall be responsible for providing such notice. If Tenant shall fail to comply with any of the requirements contained relating to insurance, Landlord may obtain such insurance and Tenant shall pay to Landlord, on demand as Additional Rent hereunder, the premium cost thereof.
- 9.8 Hazardous Material. Throughout the Lease Term, Tenant shall prevent the presence, use, generation, release, discharge, storage, disposal, or transportation of any Hazardous Materials (as hereinafter defined) on, under, in, above, to, or from the Leased Premises other than in strict compliance with all applicable federal, state, and local laws, rules, regulations, and orders. For purposes of this Lease, the term "Hazardous Materials" shall mean and refer to any wastes, materials, or other substances of any kind or character that are or become regulated as hazardous or toxic waste or substances, or which require special handling or treatment, under any applicable federal, state, or local laws, rule, regulation, or order. To the extent expressly permitted by Florida Statutes 768.28, Tenant shall indemnify, defend, and hold harmless Landlord from and against (a) any loss, cost,

expense, claim, or liability arising out of any investigation, monitoring, clean-up, containment, removal, storage, or restoration work of the Leased Premises (“Remedial Work”) required by any applicable federal, state or local law, rule, regulation or order, or by an governmental agency, authority, political subdivision having jurisdiction over the Leased Premises and which arise out of the activities of the Tenant, and (b) any claims of third parties for loss, injury, cost, expense, damage or destruction arising out of the presence, use, generation, release, discharge, storage, disposal or transportation of any Hazardous Materials on, under, in, above, to, or from the Leased Premises and which arise out of the activities of the Tenant. In the event any Remedial Work is so required under any applicable federal, state, or local law, rule, regulation or order, Tenant shall promptly perform or cause to be performed such Remedial Work in compliance with such law, rule, regulation, or order. In the event Tenant shall fail to commence the Remedial Work in a timely fashion, or shall fail to prosecute diligently the Remedial Work to completion, each as determined by Landlord in its reasonable discretion, such failure shall constitute an Event of Default on the part of Tenant under the terms of this Lease, and Landlord, in addition to any other rights or remedies afforded it hereunder, may, but shall not be obligated to, cause the Remedial Work to be performed, and Tenant, upon demand, shall promptly reimburse Landlord for the costs and expenses thereof, plus interest thereon at the highest rate allowed by law from the date of such expenditure through the date such amounts are paid in full. To the best of Landlord’s actual knowledge and except as otherwise disclosed to Tenant, the Leased Premises, Common Areas, and all occupied areas of the Building are free of asbestos and other Hazardous Materials.

ARTICLE 10 - ASSIGNMENT OR SUBLEASE

- 10.1 Assignment or Sublease by Tenant. Tenant shall not assign, in whole or in part, this Lease, or allow it to be assigned, in whole or in part, by operation of law or otherwise or mortgage or pledge the same, or sublet the Leased Premises, in whole or in part, without the prior written consent of Landlord, which consent may not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall have the right to assign or sublet to an affiliated entity, purchaser of substantially all of Tenant’s assets, or successor by merger, without Landlord’s approval, provided that the use of the Leased Premises does not change from Tenant’s Permitted Use (“Permitted Subtenant/Assignee”). Landlord hereby consents to the Canvs Sublease as well as the potential subletting that may occur by Canvsorl, Inc. in accordance with its operation as a co-working/temporary office space. In no event shall any assignment or sublease ever release Tenant from any obligation or liability under this Lease. No other assignee or sublessee of the Leased Premises or any portion thereof may assign or sublet the Leased Premises or any portion thereof, except as set forth herein. Consent by Landlord to one or more assignments or sublettings shall not operate as a waiver of Landlord’s rights as to any subsequent assignments and subletting. Fifty percent (50%) of any increase in rent over that charged herein for the same period payable by any assignee or sublessee (other than a Permitted Subtenant/Assignee) to the Tenant or the Tenant’s designate as a part of such assignment or subletting, less any costs related to such assignment or sublease (e.g. tenant improvements, broker commissions, etc.) shall be paid over to the Landlord as it is received. Whether or not Landlord grants consent to any proposed assignment or

sublease, Tenant shall pay \$750.00 towards Landlord's review and processing expenses in connection therewith, provided however, Landlord hereby waives the \$750.00 with respect to the Canvs Sublease.

Landlord shall have no obligation to recognize any, or to agree to not disturb the possession of the Leased Premises by any, subtenant of Tenant upon any event of default of Tenant under this Lease or upon any other termination of the Lease, unless Landlord shall agree to do so in writing by separate instrument, but Landlord shall have no obligation to do so. Such non-recognition shall expressly apply to the Canvs Sublease. Landlord's consent to any sublease shall not be construed as or imply any agreement on Landlord's part not to disturb any subtenant's possession of the Leased Premises upon an event of default by Tenant or upon any other termination of this Lease. In the event of Tenant's surrender of this Lease or the termination of this Lease for any reason or by any circumstance, Landlord may, at its option, either terminate any or all subtenancies or succeed to the interest of Tenant as sublandlord thereunder. During the time that any uncured event of default exists hereunder, Landlord, as assignee, may collect such sublease rent and, in such case, Landlord shall apply the sublease rent toward Tenant's obligations under this Lease. Any subtenant shall be required in its sublease to pay all sublease rent directly to Landlord upon receipt of notice from Landlord that an event of default exists under this Lease. This Section shall put any subtenant on notice that Landlord has no obligation to recognize any sublease and that upon termination of this Lease for any reason Landlord may terminate any subtenant's tenancy and any rights to possession of the Leased Premises without any recourse against Landlord

- 10.2 Assignment by Landlord. Landlord shall have the right to sell, transfer or assign, in whole or in part, its rights and obligations under this Lease. Any such sale, transfer or assignment which includes an assumption shall operate to release Landlord from any and all liabilities under this Lease arising after the date of such sale, transfer or assignment.
- 10.3 Default and Collection. If any Event of Default should occur while the Leased Premises or any part thereof are then assigned or sublet, Landlord, in addition to any other remedies provided in this Lease or provided by law, may at Landlord's option collect directly from such assignee or subtenant all rents becoming due to Tenant under such assignment or sublease, and apply such rent against any sums due to Landlord by Tenant under this Lease, and Tenant hereby directs any such assignee or subtenant to make such payments of rent directly to Landlord upon receipt of notice from Landlord. No direct collection by Landlord from any such assignee or subtenant shall be construed to constitute a novation or a release of Tenant or any guarantor of Tenant from the further performance of its obligations under this Lease. Receipt by Landlord of rent from any assignee or subtenant of the Leased Premises shall not be deemed a waiver of the covenant contained in this Lease against assignment and subletting or a release of Tenant or any Guarantor from any obligation under this Lease. The receipt by Landlord of any such amounts from an assignee or subtenant obligated to make payments of rent shall be a full and complete release, discharge and acquittance to such assignee or subtenant to the extent of any such amount of rent so paid to Landlord. Landlord is authorized and empowered, on behalf of Tenant, to endorse the name of Tenant upon any check, draft or other instrument payable to Tenant evidencing payment of rent, or any part thereof, and

to apply the proceeds therefrom in accordance with the terms hereof. Tenant shall not mortgage, pledge, or otherwise encumber its interest in this Lease or in the Leased Premises. Any attempted assignment or sublease or encumbrance by Tenant in violation of the terms and covenants of this section shall be void and automatically constitute an Event of Default under this Lease.

- 10.4 Rights of Mortgagee, Estoppel Letters and Subordination Agreements. Tenant accepts this Lease subject and subordinate to any mortgage or deed of trust lien presently existing, if any, or hereafter encumbering the Property, or any portion thereof, and to all existing ordinances and recorded restrictions, covenants, easements, and agreements with respect to the Property or any portion thereof; subject to, and so long as Tenant has received the Lease Subordination, Non-Disturbance and Attornment Agreement described below from all current and future mortgagees. Upon any foreclosure of any such mortgage, or the sale or conveyance of the Property, or any portion thereof, in lieu of foreclosure, or any other transfer of Landlord's interest in the Property, whether or not in connection with a mortgage, Tenant hereby does, and hereafter agrees to attorn to the purchaser at such foreclosure sale or to the grantee under any deed in lieu of foreclosure or to any other transferee of Landlord's interest, and shall recognize the purchaser, grantee, or other transferee as Landlord under this Lease, and no further attornment or other agreement shall be required to effect or evidence Tenant's attornment to and recognition of such purchaser or grantee as Landlord hereunder. Such agreement of Tenant to attorn shall survive any such foreclosure sale, trustee's sale, conveyance in lieu thereof, or any other transfer of Landlord's interest in the Leased Premises.

Notwithstanding anything contained in this Section 10.4 to the contrary, this Lease is conditioned and contingent upon Tenant's receipt of a Subordination, Non-Disturbance and Attornment Agreement ("SNDA") substantially in the form attached hereto as Exhibit "I" in recordable form and executed by the Landlord and Landlord's applicable lender and/or mortgagee of the Building within three (3) business days of the Effective Date of this Lease. If the SNDA is not received as required, then Tenant shall have the right to terminate this Lease without further obligation by written notice given to Landlord.

In addition, within twenty (20) days of receipt of written request, at any time before or after any such foreclosure sale, trustee's sale, conveyance in lieu thereof, or other transfer, at Landlord's expense, Landlord shall provide for the applicable lender or mortgagee, and Tenant shall execute, acknowledge, and deliver to any existing mortgagee or a prospective transferee a, **SNDA** substantially in the form attached hereto as Exhibit "I" and any additional written instruments and certificates evidencing such attornment as such existing mortgagee or other prospective transferee may reasonably require. Notwithstanding anything to the contrary contained in this section, any mortgagee under any mortgage shall have the right at any time to subordinate any such mortgage to this Lease on such terms and subject to such conditions as mortgagee in its discretion may consider appropriate; provided such mortgagee has delivered an SNDA substantially in the form attached to this Lease. Tenant agrees to furnish, from time to time, within twenty (20) days after receipt of a written request from Landlord or Landlord's mortgagee, (i) a statement certifying, if applicable, all or some of the following: Tenant

is in possession of Leased Premises; this Lease is in full force and effect; this Lease is unmodified (except as disclosed in such statement); Tenant claims no present charge, lien, or claim of offset against Rent; the Rent is paid for the current month, but is not prepaid for more than one (1) month and will not be prepaid for more than one (1) month in advance; there is no existing default by reason of some act or omission by Landlord; Landlord has performed all inducements required of Landlord in connection with this Lease, including construction obligations, and Tenant accepts the Leased Premises as constructed; (ii) an acknowledgment of the assignment of Rent and other sums due hereunder to the mortgagee and agreement to be bound thereby; (iii) an agreement requiring Tenant to advise the mortgagee of damage to or destruction of the Leased Premises by fire or other casualty requiring reconstruction; (iv) an agreement by Tenant to give the mortgagee written notice of Landlord's default hereunder and to permit the mortgagee to cure such default within a reasonable time after such notice before exercising any remedy Tenant might possess as result of such default; and (v) such other matters as may be reasonably required by Landlord or Landlord's mortgagee. Tenant's failure to deliver such statement, in addition to being a default under this Lease shall be deemed to establish conclusively that this Lease is in full force and effect except as declared by Landlord or Landlord's mortgagee, that Landlord is not in default of any of its obligations under this Lease, and that Landlord has not received more than one (1) month's Rent in advance.

Attached hereto as Exhibit "J" is a form of Lease Ratification Agreement and Estoppel Certificate which, at the request of Landlord or Landlord's mortgagee, shall be expanded to cover some or all of the items listed in hereinabove which are not included in Exhibit "J".

ARTICLE 11 - LANDLORD'S LIEN

- 11.1 Landlord's Lien. Tenant hereby pledges and assigns to Landlord as security for the payment of any and all Rent and/or other sums or amounts provided for herein, all of the equipment, furniture, fixtures, goods and chattels of Tenant which shall or may be brought or put on or into the Leased Premises and Tenant agrees that said lien may be enforced by distress, foreclosure or otherwise at the election of Landlord. In the event Tenant seeks to finance its equipment or its leasehold interest, Landlord hereby agrees that in the event Tenant obtains financing on Tenant's personal property or its leasehold interest in the Leased Premises, Landlord shall reasonably subordinate its Landlord lien it may have on Tenant's personal property or leasehold interest that Landlord may be entitled to by statute or otherwise pursuant to a subordination agreement with such Tenant's lender on terms reasonably acceptable to Landlord.

ARTICLE 12 - DEFAULT AND REMEDIES

- 12.1 Default by Tenant. The following shall be deemed to be events of default by Tenant under this Lease (an "Event of Default"):

12.1.1 Tenant shall fail to pay when due any installment of Rent or any other payment required pursuant to this Lease and fails to cure such failure within five (5) days after receipt of written notice.

12.1.2 Notwithstanding anything in this Lease to the contrary, including, but not limited to, Section 12.1.1. above, and regardless of the number of times of Landlord's prior acceptance of late payments of Rent or any other payment required pursuant to this Lease, if Landlord notifies Tenant in writing twice in any calendar year that Rent or any other payment required pursuant to this Lease has not been paid when due, any further late payment of Rent or other amount required pursuant to this Lease within such calendar year will automatically constitute an Event of Default under this Lease and there shall be no notice or grace period for Tenant to cure such default other than the five (5) days (i.e., an Event of Default shall automatically occur on the sixth (6th) day after the day upon which the Rent or other payment was due);

12.1.3 Intentionally Omitted.

12.1.4 Intentionally Omitted.

12.1.5 Intentionally Omitted.

12.1.6 Tenant or any guarantor of Tenant's obligations hereunder shall file a petition or be adjudged bankrupt or insolvent under any applicable federal or state bankruptcy or insolvency law or admit that it cannot meet its financial obligations as they become due, or a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations hereunder and not dismissed within sixty (60) days;

12.1.7 Tenant or any guarantor of Tenant's obligations hereunder shall make a transfer in fraud of creditors or shall make an assignment for the benefit of creditors;

12.1.8 Tenant shall do or permit to be done any act which results in a lien being filed against the Leased Premises or the Property, and such lien is not released or bonded within thirty (30) days of Tenant's receipt of notice of such lien;

12.1.9 The liquidation, termination, dissolution or (if Tenant is a natural person) the death of Tenant or any Guarantor of Tenant's obligations hereunder; or

12.1.10 Intentionally Omitted.

12.1.11 If during the Lease Term, Landlord receives two (2) or more checks from Tenant which are returned by Tenant's bank for insufficient funds.

12.1.12 Tenant pays the Rent late (i.e., later than five (5) days after the date due) more than two (2) times in any six (6) month period.

12.1.13 Tenant shall be in default of any other term, provision or covenant of this Lease, and, other than specified in Sections 12.1.1 – 12.1.12 above, such default is not

cured within thirty (30) days after written notice thereof to Tenant, or such longer time as required to reasonably cure the default so long as Tenant is diligently pursuing to cure same.

- 12.2 Remedies for Tenant's Default. Upon the occurrence of any Event of Default set forth in this Lease, Landlord shall, in addition to any other rights or remedies available to Landlord under this Lease and under the laws of the State of Florida, have the option to pursue any one or more of the remedies set forth in this section without any additional notice or demand:

12.2.1 Landlord may elect to declare the entire Rent for the balance of the Lease Term, or any part thereof, due and payable immediately, which if paid shall be discounted to then present value using a discount rate of eight percent (8%).

12.2.2 Landlord may elect, at any time subsequent to such Event of Default, by written notice to Tenant, to terminate this Lease on the date specified in such notice of termination, and Tenant shall surrender the Leased Premises to Landlord as if the Lease Term ended by the expiration of the time fixed herein, but Tenant shall remain liable as hereinafter provided; provided, however, whether or not Landlord shall elect to terminate this Lease, Landlord shall have the immediate right to re-enter the Leased Premises and may remove all persons and property from the Leased Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, and Landlord shall not be deemed guilty of trespass, or become liable for any loss, cost, expense, damage or destruction which may be occasioned thereby.

12.2.3 Landlord may retake possession of the Leased Premises for the account of Tenant and may re-enter the Leased Premises, by summary proceedings or otherwise, and, using its best efforts, attempt to relet the Leased Premises, or any part thereof, as Tenant's agent, in the name of Landlord, or otherwise to any tenant and upon such terms and conditions and for any use or purpose and for a term shorter or longer than the balance of the Lease Term, all as Landlord may deem appropriate. Should Landlord elect to re-enter or should Landlord take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Landlord may make such alterations and repairs as may be necessary in order to relet the Leased Premises or any part thereof. Upon each such reletting, all rent received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness, other than Rent due hereunder, from Tenant to Landlord; second to the payment of any reasonable costs and expenses of such reletting including brokerage fees and to costs of such alterations and repairs; third, to the payment of Rent due and unpaid hereunder, the residue, if any, shall be held by Landlord and applied in payment of future Rent as the same may become due and payable hereunder. If such rent received from such reletting during any month be less than that to be paid during that month by Tenant as set forth herein, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly, but to the extent permitted by law, Tenant shall not be entitled to any surpluses from such reletting. Landlord shall recover from Tenant all damages it may incur by reason of Tenant's default, including the reasonable cost of recovering the Leased Premises and, including charges equivalent to Rent reserved in this Lease for the remainder of the Lease Term, all

of which amounts shall be immediately due and payable from Tenant to Landlord. In computing the net amount of rents collected through such reletting, Landlord may deduct all reasonable expenses incurred in obtaining possession of and reletting the Leased Premises, including legal expenses, attorneys' fees and paralegals' fees whether suit is filed or not and if suit is filed through all trial and appellate levels, bankruptcy and probate, brokerage fees, the cost of restoring the Leased Premises to good order, and the cost of all alterations and decorations deemed necessary by Landlord to effect reletting.

12.2.4 Landlord may retake possession of the Leased Premises, or any part thereof, on its own behalf, without thereby relieving Tenant from any liability for damages accruing prior to such retaking. Alternatively, Landlord may elect not to seek to re-enter any portion of the Leased Premises, without waiving its right to do so at any future time or its right to collect the Rent due hereunder as and when the same shall become due and to continue to hold Tenant fully liable for all its obligations hereunder.

12.2.5 If Tenant is in default, (a) Landlord, in addition to retaking possession, may bring an action immediately for all damages resulting therefrom, and (b) Landlord shall use reasonable efforts to mitigate its damages.

12.2.6 In the event of a breach or threatened breach of any of the covenants or provisions hereof, Landlord shall have the further right to seek an injunction.

12.2.7 Landlord may enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for specific performance of any covenant or agreement contained herein, or for the enforcement of any other legal or equitable remedy, including recovery of all monies due or to become due from Tenant under any of the provisions of this Lease.

12.2.8 If Landlord exercises any of the remedies provided for in subparagraphs 12.2.1 through 12.2.5 above, Tenant shall surrender possession and vacate the Leased Premises immediately and deliver possession thereof to Landlord, and Landlord may then or at any time thereafter re-enter and take complete and peaceful possession of the Leased Premises, with or without process of law, full or complete license to do so being hereby granted by Tenant to Landlord, and Landlord may remove all occupants and property therefrom in accordance with Florida law, without relinquishing Landlord's right to Rent or any other right given to Landlord hereunder or by operation of law.

12.2.9 Upon an Event of Default resulting from Tenant's failure to pay Rent or any other amount due hereunder, all sums past due shall bear interest from the date due at the highest legal rate of interest permitted under the laws of the State of Florida. Neither the accrual nor the payment of such interest shall be deemed to excuse or cure any breach, default or Event of Default hereunder. In the event that any interest paid or charged hereunder shall exceed the maximum legal rate then applicable, such rate so charged by Landlord shall be automatically reduced to the current maximum legal rate of interest, and Landlord shall promptly refund to Tenant the excess amount of interest paid over such maximum legal rate of interest.

12.2.10 The rights, privileges, elections and remedies of Landlord under this Lease shall be cumulative, and Landlord shall have the right to exercise such remedies at any time and from time to time singularly or in combination. Notwithstanding anything in this Lease to the contrary, no termination of this Lease (whether upon an Event of Default or otherwise) shall be deemed to limit or negate Landlord's rights hereunder to indemnification from Tenant (or Tenant's insurance carriers) for any claim or liability asserted against or imposed upon Landlord, whether before or after the termination of this Lease, which is directly or indirectly based upon death, personal injury, property damage or destruction, or other matters occurring prior to the termination hereof.

12.2.11 The pursuit by Landlord or Tenant of any particular remedy, whether specified herein or otherwise, shall, to the extent permitted by law, not preclude Landlord or Tenant from pursuing any other remedy or remedies available to it at law or in equity, all of which shall be deemed to be cumulative. If Landlord's re-entry is the result of Tenant's bankruptcy, insolvency or reorganization, Landlord shall recover as liquidated damages, in addition to accrued Rent and other charges, the full Rent for the maximum period allowed by any act relating to bankruptcy, insolvency or reorganization. If Tenant Abandons or vacates the Leased Premises, or if Landlord re-enters the Leased Premises pursuant to court order, any property left in the Leased Premises by Tenant shall be deemed to have been abandoned by Tenant, and Landlord shall have the right to retain or dispose of such property in any manner without any obligation to account therefor to Tenant. Tenant, for itself and for all persons claiming through or under it, hereby waives any and all rights which are or may be conferred upon Tenant by any present or future law to redeem the Leased Premises after a warrant to dispossess shall have been issued or after judgment in an action for ejectment shall have been made and entered. The parties hereby waive trial by jury in an action, proceeding or counterclaim brought by either of the parties hereto against the other or any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Leased Premises, and/or claim of injury, death, damage or destruction. In the event of a breach by Tenant of any of the covenants or provisions of this Lease, Landlord shall have, in addition to any other remedies which it may have, the right to invoke any remedy allowed at law or in equity, including injunctive relief, to enforce Landlord's rights or any of them, as if re-entry and other remedies were not herein provided for.

Notwithstanding anything to the contrary set forth in this Lease, Landlord reserves all rights which any state or local laws, rules, regulations or ordinances confer upon a Landlord against a tenant in default. The term and conditions set forth in this article shall apply to any renewals or extensions of this Lease. This agreement shall be deemed to have been made in the State of Florida and shall be interpreted, and the rights and liabilities of the parties herein determined, in accordance with the laws of the State of Florida.

Notwithstanding any other right or remedy set forth in this Lease, if Landlord has made Rent concessions of any type or character, or waived any Base Rent, and Tenant defaults at any time during the Lease Term, the Rent concessions, including, but not limited to, any waived Base Rent, shall be canceled and the amount of the Base Rent or other Rent concessions shall be due and payable immediately as if no Rent concessions or waiver of any Base Rent had ever been

granted. A Rent concession or waiver of the Base Rent shall not relieve Tenant of any obligation to pay any other charge due and payable under this Lease, including, without limitation, any sum due under Section 3 of this Lease.

Notwithstanding anything to the contrary set forth in this Lease and subject to Landlord's right to terminate this Lease hereunder, at law or otherwise, this Lease may be terminated by Landlord only by written notice of such termination to Tenant given in accordance with the Section of this Lease entitled Notices, and no other act or omission of Landlord shall be construed as a termination of this Lease.

12.3 Default by Landlord. A "Landlord Default" shall be deemed to exist if (i) Landlord defaults in the performance of any of its monetary obligations under this Lease and fails to cure such default within ten (10) days of Landlord's receipt of written notice of such default or (ii) Landlord defaults in the performance of any of its non-monetary obligations under this Lease and fails to cure such default, or to commence and diligently pursue completion thereof, within thirty (30) days of Landlord's receipt of written notice of such default, provided, however, that Landlord shall not be deemed in default if such default cannot be cured within such thirty (30) day period and Landlord commences curing such default within such thirty (30) day period and thereafter diligently pursues such cure and in any event completes such curing within ninety (90) days. In the event that a Landlord Default shall exist, except as otherwise specifically provided herein to the contrary, Tenant's sole and exclusive remedy shall be to cure such default for the account of Landlord, and Landlord shall reimburse Tenant for any amount paid and any expense or contractual liability so incurred upon invoice. If Landlord fails to reimburse Tenant within thirty (30) days after invoice for any cost incurred by Tenant hereunder, then Tenant shall have the right to bring a cause of action against Landlord in the jurisdiction in which the Premises is located for an amount not to exceed the amount specified on said invoice plus reasonable court and attorney costs incurred by Tenant in bringing such cause of action.

12.4 Waiver of Bond. In any distress for Rent action filed by Landlord against Tenant, Tenant waives all constitutional, statutory or common law bonding requirements, including the requirement under §83.12, *Florida Statutes*, that Landlord file a bond payable to Tenant at least double the sum demanded by Landlord. Tenant specifically agrees that no bond shall be required in any such action and Tenant further waives the right under §83.14, *Florida Statutes*, to replevin distrained property.

ARTICLE 13 - MISCELLANEOUS MATTERS

13.1 Waiver. Failure of Landlord to declare an Event of Default immediately upon its occurrence, or delay in taking any action in connection with an Event of Default, shall not constitute a waiver of the default, but Landlord shall have the right to declare the default at any time and take such action as is lawful or authorized under this Lease. Failure by Landlord or Tenant to enforce one or more of the remedies provided under this Lease or at law or in equity upon any Event of Default shall not be deemed or construed to constitute a waiver of the default or of any other violation or breach of any of the terms, provisions and covenants contained in this Lease. Landlord may collect and

receive Rent due from Tenant without waiving or affecting any rights or remedies that Landlord may have at law or in equity or by virtue of this Lease at the time of such payment. Institution of any action to re-enter the Leased Premises shall not be construed to be an election by Landlord to terminate this Lease.

13.2 Attorneys' Fees. Intentionally Deleted.

13.3 Successors. This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives, successors and permitted assigns.

13.4 Interpretations; Severability. The captions appearing in this Lease are for convenience only and in no way define, limit, construe or describe the scope or intent of any Article, Section, subsection or paragraph. Grammatical changes required to make the provisions of this Lease apply (i) in the plural sense where there is more than one (1) Tenant and (ii) to either corporations, companies, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed. The Laws of the State of Florida shall govern the validity, performance and enforcement of this Lease. This Lease shall not be construed more or less favorably with respect to either party as a consequence of the Lease or various provisions hereof having been drafted by one of the parties hereto. If any provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. Each covenant and agreement contained in this Lease shall be construed to be a separate and independent covenant and agreement, and the breach of any such covenant or agreement by Landlord shall not discharge or relieve Tenant from Tenant's obligation to perform each and every covenant, obligation and agreement of this Lease to be performed by Tenant.

13.5 Notices. All Rent and other payments required to be made by Tenant shall be payable to Landlord at the following lockbox address: c/o TSLF CHURCH STREET EXCHANGE, LLC, C/O Tremont Realty Capital, 255 Washington Street, Suite 300, Newton, MA 02458. All payments required to be made by Landlord to Tenant shall be payable to Tenant at Tenant's address set forth in the Section of this Lease entitled Addresses. Any notice or document (other than Rent) required or permitted to be delivered by the terms of this Lease shall be deemed to be delivered (whether or not actually received) when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, or with a national overnight carrier, addressed to the parties at the respective addresses set forth in the Section of this Lease entitled Addresses (or, in the case of Tenant, at the Leased Premises subsequent to the Commencement Date).

13.6 Multiple Tenants. If this Lease is executed by more than one person or entity as "Tenant", each such person and entity shall be jointly and severally liable hereunder. It is expressly understood that (i) any one of the named Tenants shall be empowered to execute any modification, amendment, exhibit, floor plan, or other document referenced

herein and bind all of the named signatories thereto and (ii) Landlord shall be entitled to rely on same to the extent as if all of the named signatories had executed same.

- 13.7 Termination of Existing Lease. Landlord and Tenant hereby acknowledge that the Leased Premises are currently subject to that certain Commercial Lease by and between Landlord and Canvsorl, Inc. dated April 7, 2014 (the “Existing Lease”). Landlord and Tenant hereby agree that this Lease shall be contingent upon the termination of the Existing Lease on or before November 1, 2017. In the event the Existing Lease is not terminated on or before November 1, 2017, then this Lease shall be deemed null and void and of no further effect.
- 13.8 Time is of the Essence. The time of the performance of all of the covenants, conditions and agreements of this Lease is of the essence.
- 13.9 Entire Agreement. It is expressly agreed by Tenant, as a material consideration for the execution of this Lease, that this Lease, with the specific references to extrinsic documents, is the entire agreement of the parties, that there are, and were, no verbal representations, warranties, understandings, stipulations, agreement or promises pertaining to the subject matter of this Lease or of any expressly mentioned extrinsic documents that are not incorporated in writing in this Lease or in such documents.
- 13.10 Amendment. This Lease may not be altered, waived, amended or extended except by an instrument in writing signed by Landlord and Tenant.
- 13.11 Limitation of Warranties. Landlord and Tenant expressly agree that there are and shall be no implied warranties of merchantability, habitability, suitability, fitness for a particular purpose of or of any other kind arising out of this Lease, and there are no warranties which extend beyond those expressly set forth in this Lease. Without limiting the generality of the foregoing, and subject to specific warranties and representation by Landlord in this Lease, Tenant expressly acknowledges that Landlord has not made any warranties or representations concerning any hazardous substances or other environmental matters affecting any part of the Property, and Landlord hereby expressly disclaims and Tenant waives any express or implied warranties with respect to any such matters.
- 13.12 Waiver and Releases. Tenant shall not have the right to withhold or to offset Rent or to terminate this Lease except as may be expressly provided herein. Tenant waives and releases any and all statutory liens and offset rights, except as specifically contained herein.
- 13.13 RADON GAS DISCLOSURE. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Orange County, Florida, public health unit.

- 13.14 Exhibits, Riders and Addenda. All exhibits, riders and addenda attached to this Lease are incorporated herein by reference. Tenant acknowledges that the terms of the agreements set forth in all exhibits, schedules, riders and addenda are acceptable to Tenant.
- 13.15 Real Estate. Tenant warrants that it has had no dealings with any broker other than Jones Lang LaSalle in connection with the negotiation or execution of this Lease, and to the extent expressly permitted by Florida Statutes 768.28, Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all cost, expense or liability for commissions or other compensation or charges claimed by any other broker or agent other than the brokers with respect to this Lease. In the event this Lease shall be terminated due to Tenant's default prior to the natural expiration of the Term of this Lease, Tenant shall pay to Landlord the unamortized portion of any leasing commission paid by Landlord.
- 13.16 Waiver of Jury Trial. LANDLORD AND TENANT HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR ANY DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THE LEASED PREMISES (INCLUDING WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS LEASE OR ANY CLAIMS OR DEFENSES ASSERTING THAT THIS LEASE WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR LANDLORD AND TENANT TO ENTER AND ACCEPT THIS LEASE.
- 13.17 Legal Authority. If Landlord or Tenant is a corporation (including any form of professional association), then each individual executing or attesting this Lease on behalf of such corporation covenants, warrants and represents that he/she is duly authorized to execute or attest and deliver this Lease on behalf of such corporation. If Landlord or Tenant is a partnership (general or limited) or limited liability company, then each individual executing this Lease on behalf of the partnership or company hereby covenants, warrants and represents that he is duly authorized to execute and deliver this Lease on behalf of the partnership or company in accordance with the partnership agreement or membership or operating agreement, as the case may be, or an amendment thereto, now in effect.
- 13.18 No Reservation; No Option. The submission of this Lease for examination does not constitute a reservation of or an option for the Leased Premises and this Lease becomes effective as a Lease only upon execution and delivery by Landlord and Tenant.
- 13.19 Modified Gross Lease. It is the intention of the parties hereto that this Lease is and shall be treated as a modified gross lease.

13.20 Sales Tax. So long as the University of Central Florida Board of Trustees is the Tenant under this Lease and provided that Tenant provides its tax exemption certificate to Landlord and Landlord is not otherwise required to remit to the State of Florida any sales tax on the Base Rent or any other amounts collected under this Lease, then Tenant shall not be required to pay such sales taxes under this Lease; provided however, Tenant shall require any subtenants or assignees to pay such taxes as otherwise required hereunder.

Annual Appropriation. Tenant's performance and obligation to pay under this Lease is contingent upon an annual appropriation by the Legislature of the State of Florida to the University of Central Florida.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

WITNESSES:

LANDLORD:

TSLF CHURCH STREET EXCHANGE, LLC,
a Delaware limited liability company

Print Name: _____

By: _____
Printed Name: _____
Its: _____

Print Name: _____

WITNESSES:

TENANT:

UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES

Print Name: _____

By: _____
Printed Name: _____
Its: _____

Print Name: _____

EXHIBIT “A”

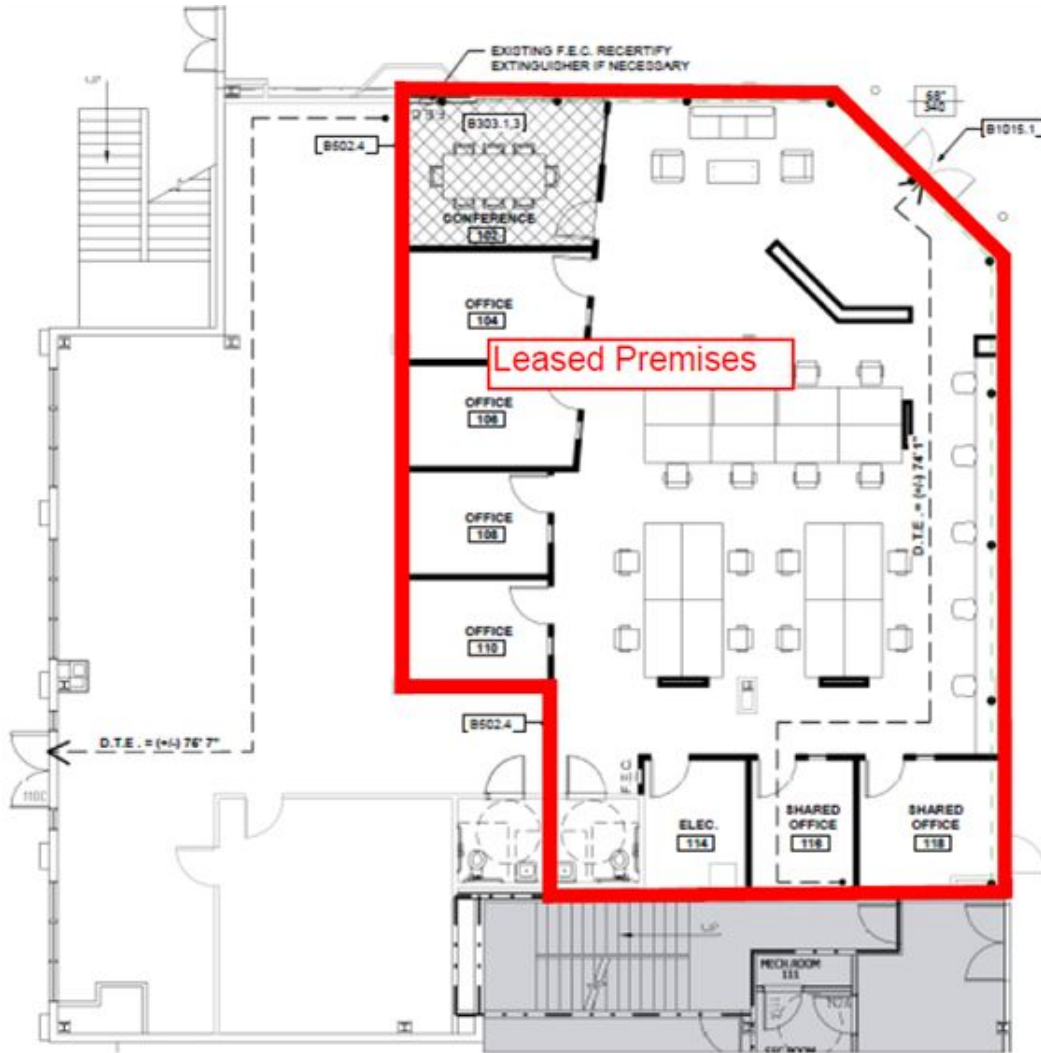
LEGAL DESCRIPTION OF THE LAND

ALL OF CHURCH STREET EXCHANGE, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 18, PAGE 28 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

EASEMENT - TRACT 4

EASEMENTS CREATED UNDER THAT CERTAIN GERTRUDE AVENUE BRIDGE AGREEMENT EXECUTED BETWEEN LINCOLN CHURCH STREET MARKET AND CHURCH STREET STATION ASSOCIATES LIMITED PARTNERSHIP FILED JANUARY 30, 1989 IN OFFICIAL RECORDS BOOK 4051, PAGE 3830, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, AS ASSIGNED BY ASSIGNMENT OF EASEMENT RIGHTS RECORDED MAY 25, 1989 IN OFFICIAL RECORDS BOOK 4083, PAGE 2000; ASSIGNMENT OF EASEMENT RIGHTS RECORDED AUGUST 25, 1989 IN OFFICIAL RECORDS BOOK 4109, PAGE 3388; ASSIGNMENT OF EASEMENT RIGHTS RECORDED AUGUST 25, 1989 IN OFFICIAL RECORDS BOOK 4109, PAGE 3411; BLANKET ASSIGNMENT AND ASSUMPTION AGREEMENT RECORDED MARCH 31, 1994 IN OFFICIAL RECORDS BOOK 4719, PAGE 3218; ASSIGNMENT OF EASEMENT RIGHTS RECORDED APRIL 19, 1999 IN OFFICIAL RECORDS BOOK 5730, PAGE 2473; AND SPECIAL WARRANTY DEED RECORDED JULY 7, 2001 IN OFFICIAL RECORDS BOOK 6293, PAGE 6086; ALL OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

EXHIBIT "B"
LEASED PREMISES



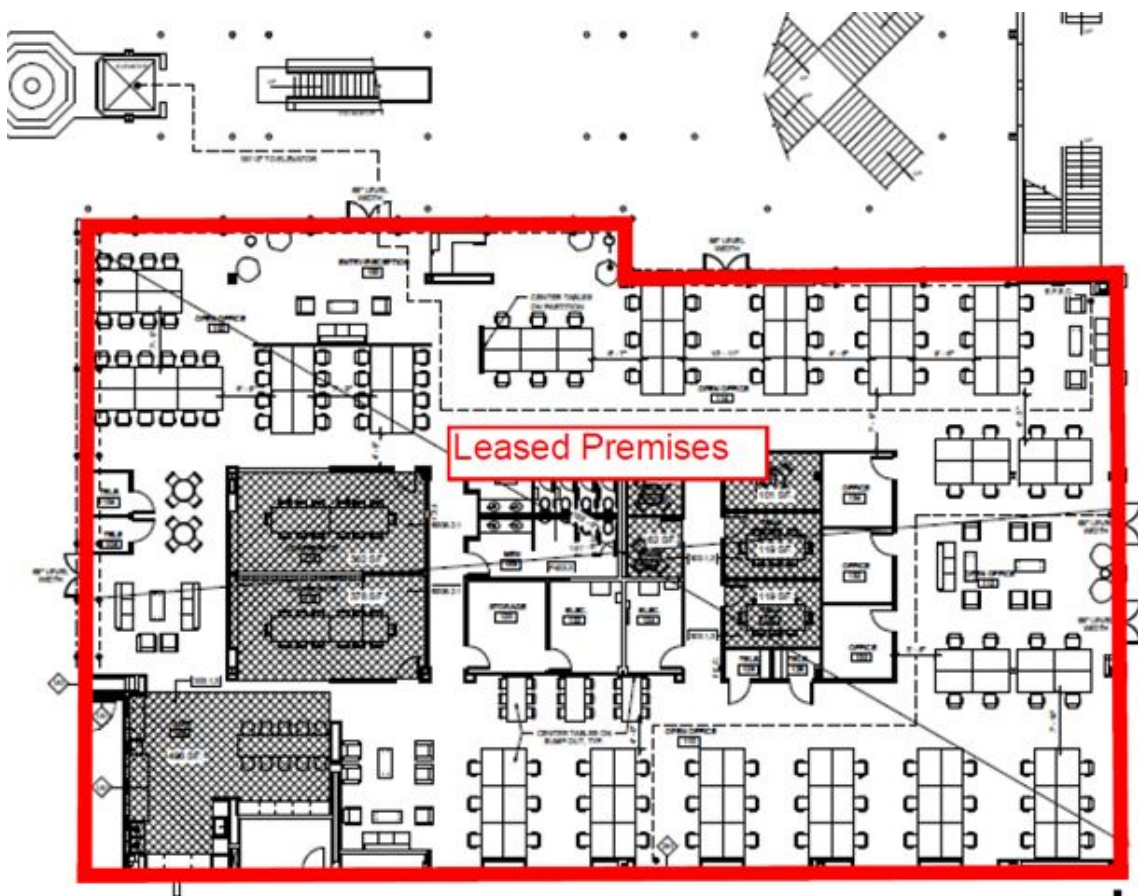


EXHIBIT “C”

INTENTIONALLY OMITTED

EXHIBIT “D”

INTENTIONALLY OMITTED

EXHIBIT “E”

RULES AND REGULATIONS

Landlord has adopted the following Building Rules and Regulations for the care, protection and benefit of your Leased Premises and the Building and for the general comfort and welfare of all Tenants. These Rules and Regulations are subject to amendment by the Landlord from time to time.

1. Building Hours and Access.

1.1 Normal Building Hours shall be established by the Landlord consistent with the creation of an upscale entertainment complex. Specific Building Hours as to the Leased Premises may be agreed upon between Landlord and Tenant. Landlord will provide Tenant, at Landlord's expense, a building card access system that will provide Tenant with access to the Leased Premises (including electricity) at all times. Building Hours are defined as 7:00 AM and 7:00 PM Monday through Friday, and any five hour time allotment requested by Tenant (as of 3:00 PM on the Friday prior) on Saturday.

1.2 Landlord reserves the right to designate the time when freight, furniture, goods, merchandise and other articles may be brought into, moved or taken from Leased Premises or the Building. Tenants must make arrangements with the management office when the elevator is required for the purpose of carrying any kind of freight. Landlord shall in all cases have the right to specify the proper weight and position of any heavy article.

1.3 Landlord reserves the right at all times to exclude loiterers, vendors, solicitors, and peddlers from the Building and to require registration of satisfactory identification or credentials from all persons seeking access to any part of the Building outside ordinary business hours. The Landlord will exercise its best judgment in the execution of such control but shall not be liable for the granting or refusal of such access.

2. Building.

2.1 The sidewalks, entry passages, corridors, halls, elevators, and stairways shall not be obstructed by the Tenant or used by it for other than ingress and egress.

2.2 The floors, skylights and windows that reflect or admit light into any place in the Building shall not be covered or obstructed by the Tenant, except for window treatments reasonably approved by Landlord and including Tenant's specialty window treatments.

2.3 Restroom facilities, water fountains, and other water facilities shall not be used for any purpose other than those for which they were constructed, and no rubbish, or other obstructing substances, shall be thrown therein. The expense of any breakage, stoppage, or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose officers, employees, agents, patrons, customers, licensees, visitors, or invitees shall, have caused it.

2.4 Tenant shall not injure, overload or deface the Building, the woodwork, or the walls of the Leased Premises, nor carry on upon the Leased Premises any noxious, noisy or offensive business, nor store in the Building of the Leased Premises any flammable or odorous materials.

2.5 Tenant, its officers, agents, employees, patrons, customers, licensees, invitees, and visitors shall not solicit in the Building, parking facilities or Common Areas, nor shall Tenant distribute any handbills or other advertising matter in automobiles parked in the Building's parking facilities.

2.6 Landlord will not be responsible for lost or stolen property, equipment, money, or any article taken from the Leased Premises, Building or parking facilities, regardless of how or when loss occurs.

2.7 Nothing shall be thrown out of the windows of the Building, or down the stairways or the passages.

2.8 The Landlord shall not be liable for any damages from the stoppage of elevators for necessary or desirable repairs or improvements, delays of any sort or duration in connection with the elevator service. However, Landlord shall use its best efforts to schedule non-emergency service during times that would least impact Tenant's business.

3. Doors and Windows.

3.1 Tenant entrance doors should be kept closed at all times required to be in compliance with the fire code.

3.2 Tenant shall not put additional locks or latches upon any door without the written consent of the Landlord, nor shall any duplicate keys be made. All necessary keys shall be furnished by the Landlord, and the same shall be surrendered upon the termination of this Lease, and the Tenant shall then give to the Landlord or his agent's explanation of the combination of all locks upon the doors of vaults.

3.3 All glass, locks and trimmings in or upon the doors and windows of the Building and the demising walls of the Leased Premises shall be kept whole and when any part thereof shall be broken the same shall be immediately replaced or repaired and put in good repair by Landlord, unless the same was caused by Tenant, its invitees, agents, employees, permittees or assigns, in which event, Tenant shall be responsible for the repair and/or replacement of such items.

4. Leased Premises Use.

4.1 Tenant shall not install in the Leased Premises any heavy weight equipment or fixtures or permit any concentration of excessive weight in any portion thereof without first having obtained Landlord's prior written consent, which may be withheld by Landlord in its sole and absolute discretion.

4.2 Tenant shall not (without Landlord's prior written consent, which may be withheld by Landlord in its sole and absolute discretion) install or operate any large business machine, equipment, or any other machinery in the Leased Premises or carry on any mechanical business thereon. Tenant shall not operate any device which may emanate electrical waves which will impair radio or television broadcasting or reception from or in the Building.

4.3 Except as necessary for Tenant's approved signage, Tenant shall not install wires of any kind or type (including, but not limited to, TV and radio antennas) to the outside of the Building and no wires shall be run or installed in any part of the Building without Landlord's prior written consent, which may be withheld by Landlord in its sole and absolute discretion. Such wiring shall be done by the electrician of the Building only, and no outside electrician shall be allowed to do work of this kind unless by the prior written permission of Landlord or its representatives.

4.4 If Tenant desires any signal, communications, alarm or other utility service connection installed or changed, such work will be done at expense of Tenant with the approval and under the direction of Landlord.

4.5 Intentionally deleted.

4.6 All contractors or technicians performing work for Tenant within Leased Premises, Building or parking facilities shall be referred to Landlord for approval before performing such work. This shall apply to all work including, but not limited to, installation of telephones, telegraph and computer equipment, cabling electrical devices and attachments, and all installations affecting floors, walls, windows, doors, ceilings, equipment or any other physical feature of the Building, Leased Premises or parking facilities. None of this work shall be done by Tenant without Landlord's prior written approval, which shall not be unreasonably withheld.

4.7 If Tenant must dispose of crates, boxes, etc., which will not fit into office wastepaper baskets, it will be the responsibility of Tenant to dispose of same. In no event shall Tenant set such items in the public hallways or other areas of Building or parking facilities, excepting Tenant's own Leased Premises, for disposal.

4.8 Tenant will be responsible for any damage to the Leased Premises, other than normal wear and tear, including carpeting and flooring as a result of rust or corrosion of file cabinets, roller chairs, metal objects or spills of any type of liquid.

4.9 If the Leased Premises demised to any Tenant become infested with vermin, as a result of Tenant's acts or omissions, such Tenant, at its sole cost and expense, shall cause its Leased Premises to be exterminated from time to time, to the satisfaction of Landlord, and shall employ such exterminators therefor as shall be approved by Landlord.

4.10 Tenant shall not conduct its business in such manner as to create any nuisance, or interfere with, annoy or disturb any other Tenant in the Building, or Landlord in its operation of the Building or parking facilities. In addition, Tenant shall not allow its officers, agents, employees, patrons, customers, licensees or visitors to conduct themselves in such manner as to create any nuisance or interfere with, annoy or disturb any other tenant in the Building or Landlord in its operation of the Building or commit waste or suffer to permit waste to be

committed in the Leased Premises, Building or Property. No person shall disturb the occupants of the Building by the use of musical systems.

4.11 Tenant shall give Landlord prompt notice of all accidents to or defects in air conditioning equipment, plumbing, electric facilities or any part of appurtenance of the Leased Premises.

4.12 The work of Landlord's janitors or cleaning personnel shall not be hindered by Tenant and such work may be done at any reasonable time.

4.13 No Tenant shall do or permit anything to be done in said Leased Premises or bring or keep anything therein which will in any way increase the rate of fire insurance on the Building, or on property kept therein, or obstruct or interfere with the rights of other Tenants, or in any way injure or annoy them, or conflict with the laws relating to fire, or with any regulations of the Fire Department, or with any insurance policy upon the Building or any part thereof, or conflict with any of the rules or ordinances of the state or local municipalities in which the Building is located.

4.14 No animals, except seeing-eye dogs, will be allowed in the Building.

4.15 No bicycles, skateboards or similar vehicles will be ridden in the Building, and shall be stored only in designated areas.

4.16 Tenant, its employees, clerks, or servants shall not use the Leased Premises for the purposes of lodging rooms or for any immoral or unlawful purposes.

4.17 Each tenant is required to furnish Landlord with emergency telephone numbers of such tenant's key personnel.

4.18 The security of each leased premises is the responsibility of the tenant thereof, and it shall be the tenant's responsibility to contact the police.

4.19 All tenants must comply with local governmental recycling requirements.

4.20 No auctions, fire, bankruptcy or going out of business sales or events are permitted on the Property, without the prior written consent of Landlord which may be withheld by Landlord in its sole and absolute discretion.

4.21 The plumbing facilities shall not be used for any other purpose than that for which they are constructed and no foreign substances of any kind shall be deposited therein, and the expense of any breakage, stoppage, damage or destruction resulting from a violation of this provision shall be borne by the tenant or whose employees, agents, licensees, guests, invitees or customers shall have caused it.

4.22 The Landlord reserves the right to make such other and further reasonable Rules and Regulations as in its judgment may from time to time be needed for the safety, care, and cleanliness of the Leased Premises, Building and Property, and for the preservation of good order therein.

EXHIBIT "F"

MEMORANDUM OF ACCEPTANCE OF LEASED PREMISES

This MEMORANDUM OF ACCEPTANCE OF THE LEASED PREMISES is an addendum to that certain Commercial Lease executed on the ____ day of _____, 2017, by and between **TSLF CHURCH STREET EXCHANGE, LLC**, a Delaware limited liability company, as Landlord, and **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES**, as Tenant.

Tenant acknowledges and agrees that:

1. The Leased Premises (as defined in the Lease) are tenantable and accepted by Tenant as suitable for the purpose for which they were let.
2. The Commencement Date of the Lease is November 1, 2017.
3. The expiration date of the Lease is the October 31, 2021.
4. All other terms and conditions of the Lease are ratified and acknowledged to be unchanged.

EXECUTED AND DELIVERED this ____ day of _____, 2017.

WITNESSES:

LANDLORD:

TSLF CHURCH STREET EXCHANGE, LLC,
a Delaware limited liability company

Print Name: _____

By: _____
Printed Name: _____
Its: _____

Print Name: _____

WITNESSES:

TENANT:

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**

Print Name: _____

Print Name: _____

By: _____

Printed Name: _____

Its: _____

EXHIBIT “G”

BASE RENT SCHEDULE

1. Base Rent for the Lease Term.

Commencing on the Commencement Date annual Base Rent shall be due and payable in accordance with the terms and conditions of Article 3 of this Lease. The Base Rent to be paid by Tenant to Landlord each and every month during the term of this Lease shall be as follows:

Base Rent for the initial Lease Year (i.e., Commencement Date until September 30, 2018) shall be the sum of Three Hundred Twenty-Six Thousand Five Hundred Ninety-One Dollars (\$326,591.00), and shall be adjusted for each succeeding Lease Year as set forth below, in the coin or currency of the United States of America, payable in advance in equal monthly installments of Twenty-Seven Thousand Two Hundred Fifteen and 92/100 Dollars (\$27,215.92), without deductions and setoffs and without prior demand therefor, on the first day of each calendar month during the Term. Such Base Rent shall commence to accrue and be due and payable on the Commencement Date.

On the first day of each succeeding Lease Year after the initial Lease Year, Tenant shall pay annual Base Rent in the amount equal to the lesser of (i) Base Rent for the previous Lease Year, plus three percent (3.0%) thereof, or (ii) Base Rent adjusted by the increase in the Consumer Price Index for all Urban Consumers, U.S. City Average, All Items, (1982-84 = 100), as published by the Bureau of Labor Statistics of the United States of America (“CPI”), calculated as follows: $\text{Base Rent for the previous Lease Year} \times (1 + ((\text{CPI as of 30 days prior to the expiration of the previous Lease Year} - \text{CPI as of the first day of the previous Lease Year}) \div \text{CPI as of the first day of the previous Lease Year}))$. In the event CPI ever becomes unavailable, the parties hereto agree to substitute a similar available index.

2. Sales and Use Tax

During the Lease Term or any extension or renewal thereof, Tenant shall pay to Landlord concurrently with the payment of any and all Rent an additional sum equal to the “sales” or “use” tax levied by the State of Florida by reason of the occupancy of the Leased Premises and the payment of Rent by Tenant.

EXHIBIT “H”

NOTICE OF LIMITATION UPON LIENS

KNOW ALL MEN BY THESE PRESENTS:

THAT the undersigned, TSLF Church Street Exchange, LLC, a Delaware limited liability, as owner and Landlord, has recorded this Notice in order to comply with the requirements of Fla. Stat. Chapter 713, Section 713.10 thereof. All of the leases to be entered by the undersigned, as Landlord, for the rental of the Leased Premises on the parcel of land described herein shall include the provision set forth hereinbelow prohibiting liability of the interest of the Landlord, which shall not be subject to liens for improvements made upon the property described by a lessee or Tenant.

(a) Name of Landlord

TSLF Church Street Exchange, LLC
c/o Tremont Realty Capital
255 Washington Street, Suite 300
Newton, MA 02458
Attn: Steven Skelley

(b) Legal Description of Land to which Notice Applies

See Attached Exhibit “A”

(c) All leases to be entered by Landlord for the subject land shall contain the following provision:

“Tenant shall have no authority or power, express or implied, to create or cause any mechanic’s or materialmen’s lien, charge or encumbrance of any kind against the Leased Premises, the Property or any portion thereof and the interest of the Landlord shall not be subject to liens for improvements made by the Tenant. Tenant acknowledges that it has been advised by Landlord that Landlord has recorded a Notice of Limitation Upon Liens in the public records for the purpose of giving constructive notice of this provision. Tenant shall promptly cause any such liens that have arisen by reason of any work claimed to have been undertaken by or through Tenant to be released by payment, bonding or otherwise within thirty (30) days after request by Landlord, and shall to the extent expressly permitted by Florida Statutes, indemnify Landlord against losses arising out of any such claim.”

IN WITNESS WHEREOF, the Owner/Landlord has executed this Notice this ____ day of _____, 2017.

WITNESSES:

LANDLORD:

TSLF CHURCH STREET EXCHANGE, LLC,
a Delaware limited liability company

Print Name: _____

By: _____
Printed Name: _____
Its: _____

Print Name: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, as Managing Member of TSLF Church Street Exchange, LLC, a Delaware limited liability company, on behalf of the limited liability company, who [] is personally known to me or who [] produced _____ as identification.

NOTARY PUBLIC, STATE OF FLORIDA

Printed Name
My Commission Expires: _____

EXHIBIT "T"

**LEASE SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE
AGREEMENT**

THIS AGREEMENT made as of the ____ day of _____, 2017 between _____, having an address at _____ ("Lender"), **TSLF CHURCH STREET EXCHANGE, LLC**, a Delaware limited liability company, having an address at 255 Washington Street, Suite 300, Newton, Massachusetts 02458 ("Landlord") and **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES**, having an office at 4365 Andromeda Loop North, Suite 328, Orlando, Florida 32816 ("Tenant").

WHEREAS, Lender has made a loan (the "Loan") to Landlord evidenced by a note (the "Note" which term shall also include all modifications, extensions, renewals, refinancings, amendments, substitutions and consolidations thereof hereafter executed) secured by that certain Mortgage dated _____, 20__ and recorded among the Official Records of Orange County, Florida, in Official Records Book _____ at page _____ (the "Mortgage," which term shall also include all modifications, extensions, renewals, refinancings, amendments, substitutions and consolidations thereof hereafter executed).

WHEREAS, Landlord and Tenant have entered into a certain lease dated _____, 2017, which lease provides for the direct payment of rents from Tenant to Landlord for the use and occupancy of 17,189 rentable square feet of space on the ground floor at The Church Street Exchange located at 101 South Garland Ave, 2nd Floor, Orlando, Florida 32801 (the "Premises") by Tenant, as more fully set forth in the lease (hereafter, the lease and all future amendments and modification thereto, and extensions thereof, shall be referred to as the "Lease"); and

WHEREAS, Lender wishes to obtain from Tenant certain assurances that Tenant will attorn to the purchaser at a foreclosure sale in the event of a foreclosure or to the holder of the Note and Mortgage in the event of such holder's exercise of its rights under the Note and Mortgage and Lender and Tenant wish to confirm that Tenant's Lease is and shall be hereafter subordinate in all respects to the Mortgage; and

NOW, THEREFORE, in consideration of the above, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lender, Landlord and Tenant desire to enter into this Agreement upon the terms, covenants and conditions contained herein.

1. Subordination and Attornment. The Lease and all of the rights of Tenant thereunder shall be and are hereby declared to be and at all times hereafter shall be and remain subject and subordinate in all respects to the Mortgage and to all renewals, modifications, supplements, amendments, consolidations, replacements, substitutions, additions and extensions thereof and all of the rights of the Lender thereunder and to any subsequent Deeds of Trust with which the Mortgage may be spread or consolidated. Notwithstanding such subordination, Landlord and Tenant each hereby agree that the Lease shall not terminate in the event of a foreclosure of the Mortgage, whether judicial or non-judicial or any other proceedings brought to enforce the Mortgage or by deed in lieu of foreclosure of the Mortgage, or by deed in lieu of

foreclosure and Tenant further agrees to attorn to and to recognize Lender (as mortgagee in possession or otherwise), or the purchaser at such foreclosure sale, as Tenant's landlord for the balance of the term of the Lease, in accordance with the terms and provisions thereof and Tenant shall promptly execute and deliver any instrument that Lender or any other party acquiring the Premises or so succeeding to Landlord's rights (the "Successor Landlord") may reasonably request in writing to further evidence said attornment, but subject, nevertheless, to the provisions of this Agreement, which Agreement shall be controlling in the event of any conflict.

2. The attornment provided for in Section 1 of this Agreement shall inure to the benefit of Lender or any Successor Landlord, shall be self-operative, and no further instrument shall be required to give effect to such attornment. Tenant, however, upon demand of Lender or any Successor Landlord, as the case may be, agrees to execute, from time to time, instruments in confirmation of such attornment. Nothing contained in this Section 2 shall be construed to impair any right otherwise exercisable by Lender or any such Successor Landlord.

3. Estoppel. Tenant hereby agrees that the Lease is in full force and effect, that as of the date hereof there are no known defaults by Landlord, that all conditions to the effectiveness or continuing effectiveness of the Lease required to be satisfied as of the date hereof have been satisfied, that the Lease has not been modified or amended and that the Lease is a complete statement of the agreement of Tenant and Landlord with respect to the Premises.

4. Default; Cure.

(a) Tenant, from and after the date hereof, shall send a copy of any notice of default or notice in connection with the commencement of any action to terminate the Lease or similar notice under the Lease to Lender at the same time such notice is sent to Landlord under the Lease and agrees that notwithstanding any provisions of the Lease to the contrary, such notice shall not be effective unless Lender shall have been delivered such notice in accordance with Section 11 hereof and shall have failed to cure such default as hereinafter provided.

(b) Lender shall have the right, but not the obligation, to cure any default on the part of the Landlord within thirty (30) calendar days after the date of Lender's receipt of a notice of Landlord's default given by Tenant; provided however, in the event the default is of a nature that cannot be cured within such thirty (30) day period, if Lender is proceeding in good faith and with commercially reasonable diligence to cure such default, such thirty (30) day period shall be extended for a reasonable number of days required to complete such cure, including any period of time required to obtain possession of the Premises through foreclosure or other legal process.

5. No change, in the terms, covenants, conditions and agreements of the Lease which reduce the rent or shorten the term shall be binding on Lender unless such change shall have been expressly approved in writing by Lender.

6. Anything herein or in the Lease to the contrary notwithstanding, in the event that Lender or any Successor Landlord shall acquire title to the Premises, Lender or any Successor Landlord shall have no obligation, nor shall Lender or any Successor Landlord incur any liability, beyond Lender's or any Successor Landlord's then interest, if any, in the Premises and

Tenant shall look exclusively to such interest of Lender or any Successor Landlord, if any, in the Premises, including any rents and sales, insurance and condemnation proceeds therefrom, for the payment and discharge of any obligations imposed upon Lender or any Successor Landlord hereunder or under the Lease; and, Lender or any Successor Landlord is hereby released and relieved of any other liability hereunder and under the Lease. Tenant agrees that with respect to any money judgment which may be obtained or secured by Tenant against Lender or any Successor Landlord, Tenant shall look solely to the estate or interest owned by Lender or any Successor Landlord in the Premises, including any rents and sales, insurance and condemnation proceeds therefrom, and Tenant will not collect or attempt to collect any such judgment (a) from any officer, director, shareholder, employee, agent or representative of Lender or any Successor Landlord or (b) out of any assets of Lender or any Successor Landlord other than Lender's or any Successor Landlord's estate or interest in the Premises.

7. Non-Disturbance.

(a) So long as there is no Event or Default (as derived in the Lease) by Tenant under the Lease, then Lender agrees with Tenant that in the event the interest of Landlord is acquired by Lender, or Lender acquires title to the Property or comes into possession of said Property by reason of foreclosure or enforcement of the Mortgage or the Note, or by a conveyance in lieu thereof, or by any other means, Tenant's possession of the Premises and Tenant's rights, privileges and obligations under the Lease (as modified by this Agreement) shall not be disturbed, diminished or interfered with by Lender or any party claiming through Lender during the term of the Lease, including any extensions thereof permitted to Tenant, and the Lease shall continue in full force and effect and shall not be terminated except in accordance with the terms of the Lease.

(b) Immediately upon the acquisition by Lender of possession or title to the Property by reason of foreclosure or enforcement of the Mortgage or the Note, or by a conveyance in lieu thereof, or as a result of any other means, Tenant agrees to be bound to Lender under all of the terms, covenants and conditions of the Lease (as modified by this Agreement) for the balance of the term thereof, including any extensions thereof permitted to Tenant, with the same force and effect as if Lender were that landlord under the Lease, and Tenant does hereby attorn to Lender as its landlord, said attornment to be effective and self-operative without the execution of any other instruments on the part of either party hereto.

(c) Lender further agrees that if it or any Successor Landlord obtains possession or title to the Property during the Lease term, such party shall be bound to Tenant under all of the terms, covenants and conditions of the Lease and Tenant shall, from and after the occurrence of the events set forth above, have the same remedies that Tenant might have had under the lease against Landlord; *provided*, however, that such party shall not be: (a) liable for any previous act or omission of Landlord or any prior landlord occurring prior to Lender obtaining possession or title to the Property, except as to continuing defaults which remain uncured as of the date of transfer of possession, (b) subject to any offsets, defenses, claims or counterclaims that Tenant may have against Landlord or against any prior landlord which arise prior to the date Lender obtains possession or title to the Property, (c) bound by any prepayment of more than one (1) month's rent or other charges under the Lease, unless such prepayment shall have been expressly approved in writing by Lender, (d) bound by any amendment,

modification, extension (unless pursuant to the terms of the Lease), termination, cancellation or surrender of the Lease unless approved in writing by Lender (provided, however, if Lender fails to provide such approval within fifteen (15) days after the receipt of the same, such failure shall constitute approval by Lender), or (e) obligated to perform any work or to make improvements to the Premises, except as to Landlord's normal maintenance obligations set forth in the Lease.

8. Landlord and Tenant hereby jointly and severally agree for the benefit and reliance of Lender, as follows:

(a) That neither this Agreement, nor anything to the contrary in the Lease or in any modifications or amendments thereto shall, prior to Lender's acquisition of Landlord's interest in and possession of the Premises, operate to give rise to or create any responsibility or liability for the control, care, management or repair of the Premises upon Lender, or impose responsibility for the carrying out by Lender of any of the covenants, terms or conditions of the Lease or of any modification or amendment specified herein or hereafter consented to by Lender, nor shall said instruments operate to make Lender responsible or liable for any waste committed on the Premises by any party whomsoever, or for any dangerous or defective condition of the Premises, or for any negligence in the management, upkeep, repair or control of the Premises resulting in loss, injury or death to Tenant or any licensee, invitee, guest, employee or agent. Notwithstanding anything to the contrary in the Lease, Lender, its successors and assigns or a purchaser under the terms of the Mortgage, shall only be responsible for the performance of the covenants and obligations of the Lease when and to the extent set forth in Section 7 hereof.

(b) That in the event Lender gains title to the Premises, Lender may assign its interest without the consent of, or assumption of any liability to Landlord or Tenant.

9. Tenant acknowledges that it has notice that Landlord's interest under the Lease and the rent and all other sums due thereunder have been assigned to Lender pursuant to the Mortgage as part of the security for the obligations secured by the Mortgage. In the event that Lender notifies Tenant in writing of a default under the Mortgage and demands in writing that Tenant pay its rent and all other sums due under the Lease to Lender, Tenant agrees that it shall pay its rent and all other sums due under the Lease to Lender. Landlord hereby agrees that Tenant shall not be liable in any respect for any damages incurred by Landlord as a result of Tenant's compliance with the provisions of this Section 9.

10. Obligations of Succeeding Owner. Tenant hereby agrees that any entity or person which at any time hereafter becomes the Landlord under the Lease, including, without limitation, Lender, as a result of Lender's exercise of its rights under the Mortgage, or a purchaser from Lender, shall be liable only for the performance of the obligations of the Landlord under the Lease which arise and accrue during the period of such entity's or person's ownership of the Property.

11. Notices. All notices required or permitted to be given pursuant to this Agreement shall be in writing, be personally delivered by hand or delivered overnight by a nationally recognized air carrier or shall be sent postage prepaid, by certified mail, return receipt requested. Rejection or other refusal to accept or inability to deliver because of changed address of which

no notice has been given shall constitute receipt of the notice, demand or request sent. Any such notice if given to Tenant shall be addressed as follows:

Attention: _____

With a copy to:

If given to Landlord, notices shall be addressed as follows:

TSLF Church Street Exchange
C/O Tremont Realty Capital
255 Washington Street, Suite 300
Newton, MA 02458

With a copy to:

If given to Lender, notices shall be addressed as follows:

With a copy to:

Any notice given hereunder shall be deemed to be given on the earlier to occur of (i) the day of receipt (as evidenced by a receipt signed by the intended recipient or the refusal to accept delivery by the intended recipient) or (ii) three (3) business days after delivery to the courier company. As used in this paragraph, the term “business days” shall mean all days except Saturdays, Sundays, and the days observed as public holidays in Orlando, Florida. Any party entitled to receive notice hereunder may designate any other address to the parties hereto in a writing and delivered in accordance with the provisions of this Section 11.

12. Miscellaneous. This Agreement may not be amended or modified in any manner other than by an agreement in writing, executed by the parties hereto or their respective successors in interest, and this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The words “foreclosure” and “foreclosure sale” as used herein shall be deemed to include the acquisition of Landlord’s estate in the Property by any power of sale contained in the Mortgage, or by voluntary deed, assignment or the conveyance or transfer in lieu of foreclosure; and the word “Lender” shall include the Lender herein specifically named and any of its successors and assigns, including

anyone who shall have succeeded to Landlord's interest in the Property or acquired possession thereof by, through or under foreclosure of the Mortgage, or by any other manner or enforcement of the Mortgage, or the Note or other obligation secured thereby.

13. Conflicts with Lease. This Agreement shall supersede, as between Tenant and Lender, all of the terms and provisions of the Lease which are inconsistent with this Agreement, but shall not affect obligations or liabilities of Landlord, as landlord, under the Lease.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof.

15. Governing Law; Venue. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be properly executed by their duly authorized representatives as of the date first above written.

TENANT:

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**

By: _____
Printed Name: _____
Its: _____

[CORPORATE SEAL]

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument as acknowledged before me this ____ day of _____, 2017 by _____, as _____ of **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES**, on behalf the _____, who [] is personally known to me or who [] produced _____ as identification.

NOTARY PUBLIC, STATE OF FLORIDA

Printed Name
My Commission Expires: _____

LENDER:

a Delaware limited liability company

By:_____

Printed Name:_____

Its:_____

STATE OF _____

COUNTY OF _____

The foregoing instrument as acknowledged before me this ____ day of _____, 2017, by _____, as _____ of _____, a Delaware limited liability company, on behalf of the limited liability company, who is [] personally known to me or who [] produced _____ as identification.

NOTARY PUBLIC

Printed Name

My Commission Expires:_____

LANDLORD:

TSLF CHURCH STREET EXCHANGE, LLC
a Delaware limited liability company

By:_____

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument as acknowledged before me this ____ day of _____, 2017, by _____, as Managing Member of TSLF Church Street Exchange, LLC, a Delaware limited liability company, on behalf the limited liability company, who [] is personally known to me or who [] produced _____ as identification.

NOTARY PUBLIC, STATE OF FLORIDA

Printed Name

My Commission Expires:_____

EXHIBIT “J”

LEASE RATIFICATION AGREEMENT AND ESTOPPEL CERTIFICATE

To: TSLF Church Street Exchange, LLC (the “Purchaser”)
c/o Tremont Realty Capital
255 Washington Street, Suite 300
Newton, MA 02458

____ (“Lender”)

Re: Lease of The Church Street Exchange (the “Premises”) comprising approximately _____ square feet, (First Floor) at the property located at 101 South Garland Ave, First Floor, Orlando, Florida 32801 (the “Property”)

The undersigned tenant (the “Tenant”) hereby certifies to Purchaser and Lender, and their respective affiliates, successors, transferees and assigns, as follows:

- 1) Tenant is obligated under the terms of an executed lease (the “Lease”) dated _____, 2017 for certain Leased Premises at the Property. The Lease has not been cancelled, modified, assigned, extended or amended; and there are no other agreements, written or oral, relating to Tenant’s lease of the Premises.
- 2) Tenant expects to take possession of the Premises on and pursuant to the Lease will commence regular payment of rent on the Commencement Date. Base rent is payable in the amount of \$_____ per month, plus tenant electric, and Additional Rent is will be payable as of the Commencement Date in a to-be-determined amount per month.
- 3) Base rent, common area charges, rent escalations, additional rent and tenant electric under the Lease are not yet due and payable. No rent or other sum payable under the Lease has been paid more than one (1) month in advance.
- 4) The Lease terminates on September 30, 2021 and Tenant has no provisions for renewal or extension options of any type in the Lease or in any other instrument referred to in paragraph 1 above.
- 5) All work to be performed for Tenant under the Lease has been performed as required under the Lease and has been accepted by Tenant, except any Landlord’s Work as defined in the Lease, [and all allowances to be paid to Tenant, for tenant improvements or any other items, have been paid in full].
- 6) The Lease is in full force and effect and is free from default and from any event which could become a default. Tenant has no claims against the landlord or offsets or defenses against rent, and Tenant has no disputes with the landlord.

- 7) Tenant has not assigned the Lease or sublet any part of the Premises and does not hold the Premises under an assignment or sublease, except: N/A
- 8) Tenant has no options to terminate the Lease or surrender the space back to the Landlord and has no rights or options to purchase all or any part of the Premises or the Property. Tenant has the following expansion rights or options, including rights of first refusal and rights of first offer, for any space at the Property:

- 9) Tenant is not insolvent or bankrupt and is not contemplating seeking relief under any insolvency or bankruptcy statutes. There are no actions, whether voluntary or involuntary, pending against Tenant under any insolvency, bankruptcy or other debtor relief laws of the United States or any state thereof, or any other jurisdiction.
- 10) Tenant has not received written notice of any violations or potential violations of any laws or regulations with respect to the Premises or its use of the Premises which remain uncured as of the date hereof.
- 11) The address set forth in the Lease for sending notices to Tenant under the Lease is still applicable and correct.

The undersigned has executed this Estoppel Certificate with the knowledge and understanding that (i) Purchaser, Lender and their respective affiliates, successors, transferees and assigns, shall be entitled to rely on this Estoppel Certificate, (ii) that Purchaser will be acquiring the Property in reliance on this Estoppel Certificate, (iii) that Lender will be loaning money in reliance on this Estoppel Certificate and (iv) that the undersigned will be bound by this Estoppel Certificate. The statements contained herein may be relied upon by Purchaser, Lender and their respective affiliates, successors, transferees and assigns.

Dated this _____ day of _____, 20____.

Tenant:

By: _____

Name: _____

Title: _____

EXHIBIT “K”

SCHEDULE OF EXCLUSIVE USE RIGHTS

The following is a summary of the business operations or activities that have been granted some degrees of exclusivity or which Landlord has agreed to prohibit and from which Tenant is prohibited from engaging in on the Leased Premises.

1. Operation of a retail hair salon offering spray tans, teeth whitening, and nail treatments.
2. Operation of a software service provider for employer human resources with services such as payroll, benefits administration, healthcare exchanges and decision support.

EXHIBIT “L”

SIGN CRITERIA

No signs of any type or description shall be erected, placed or painted in or about the Leased Premises or the Property without Landlord’s prior written consent, which consent may be withheld in Landlord’s sole and absolute discretion. In the event Landlord consents to any such signage, all signs must comply with all state, city, local and any other governmental requirements.

ITEM: FFC-2

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Revision to Florida Solar Energy Center Rules 6C7-8.009 and 6C7-8.010

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Approve the attached amendments to existing Florida Solar Energy Center rules.

BACKGROUND INFORMATION

Existing rules related to operations of the Florida Solar Energy Center include standards for solar energy systems that are manufactured or sold in the State of Florida, the establishment of criteria for testing performance of solar energy systems, the setting of fees to cover the costs of such testing, and the establishment of standards for acceptance of testing from other entities.

The Florida Administrative Procedures Act requires that amendments to rules be approved by the Board of Trustees. The board is requested to approve university amendments to Florida Solar Energy rules 6C7-8.009 Fees for Solar Testing, Certification, Inspection, and Other Related Services and 6C7-8.010 Solar Thermal and Photovoltaic System Standards and Certification.

Supporting documentation: Attachment A: Chapter 8 UCF Rule 6C7-8.009 Fees for Solar Testing, Certification, Inspection, and Other Related Services
Attachment B: Fee Schedule
Attachment C: Chapter 8 UCF Rule 6C7-8.010 Solar Thermal and Photovoltaic System Standards and Certification
Attachment D: FSEC Standard 203-17

Prepared by: Youndy C. Cook, Deputy General Counsel

Submitted by: W. Scott Cole, Vice President and General Counsel

Attachment A

6C7-8.009 Fees for Solar Testing, Certification, Inspection, and Other Related Services.

Fees sufficient to cover the costs of tests, certifications, inspections, and other services relating to solar equipment performed by the Center shall be collected by the Center prior to the performance of such tests, certifications, inspections, or other services. The Center shall maintain one or more fee schedules containing testing and certification fees; ~~fee schedules for “FSEC Photovoltaic Testing, Certification and Registration Services Fee Schedule” (October 2017), herein incorporated by reference, may be updated as necessary to cover the costs of procedures. FSEC PV System Fee Schedule (April 2009) “Photovoltaic Equipment Certification” and FSEC Solar Thermal Fee Schedule (January 2010) “Solar Thermal Collector Testing, System Testing & Certification”, herein incorporated by reference, may be updated as necessary to cover the costs of procedures.~~

Rulemaking Authority 377.705, 1001.706(2)(b) FS. Law Implemented 377.705, 1001.706(2)(b) FS. History—New 5-17-10, Amended

Attachment B



**FSEC Photovoltaic (PV) Testing, Certification and Registration Services
Fee Schedule
October 2017**

PV Module Testing	Amount
Module Testing Initiation (per 10 modules)	\$250
Spire 460SLP Flash Test	
Setup Per Module Type	\$150
Per Module	\$75
Sinton FMT350 Flash Test	
Setup Per Module Type	\$150
Per Module	\$75
Electroluminescence Imaging	
Setup Per Module Type	\$150
Per Module	\$75
LoadSpot Mechanical Test	
Setup Per Module Type	\$500
Test Time Per Hour	\$100
EL Captures Per Module	\$50
IV Captures Per Module	\$50
Reporting and Analysis (per hour)	\$50
PV Module Registration	Amount
PV Module Registration by review of test results from other accredited testing laboratories	\$300
Requires appropriate laboratory accreditation and compliance with FSEC testing standards and operating procedures.	
PV System Testing	Amount
PV System Data Monitoring (per year)	\$7,500
Includes baseline testing and continuous monitoring of system parameters.	
Technician (per hour)	\$50
Repairs, unscheduled maintenance, additional services	
Engineer (per hour)	\$75
Design, troubleshooting, additional services	
PV System Certification	Amount
PV System Certification for systems up to 11,764W DC	
Manual Design Review	\$250
Express Certification	\$150
PV System Certification for systems greater than 11,764W DC	
Manual Design Review	\$500

For FSEC to conduct other tests, evaluations, or administrative actions in a combination not covered by the fee schedule, a fee will be established consistent with the fees listed above.

Attachment C

6C7-8.010 Photovoltaic System Standards and Certification.

The PV System Certification Program applies to systems required by this regulation to be submitted to the Center by the Seller for evaluation and approval. Requirements for approval shall be those described in FSEC Standard ~~203-17~~ ~~203-40~~, "Procedures for Photovoltaic System Design Review and Approval" (July 2017) ~~(January 2010)~~. A copy of this standard is incorporated in this regulation by reference.

(1) The System Approval Certificate will include but is not limited to:

(a) Identification of the primary and alternate major components of the system.

(b) A diagram of the system.

~~(2) As a condition of receiving the System Approval Certificate, the Seller shall submit specifications and application information pertaining to major components of the system.~~

(2)~~(3)~~ The contents and format of the System Approval Certificate may be revised as deemed necessary by the Center.

Rulemaking Authority 377.705, 1001.706(2)(b) FS. Law Implemented 377.705, 1001.706(2)(b) FS. History--New 5-5-10, Amended _____.

Attachment D

DRAFT

FLORIDA SOLAR



ENERGY CENTER®

FSEC STANDARD

Procedures for Photovoltaic System Design Review and Approval

FSEC Standard 203-170

July 2017~~January 2010~~

1679 Clearlake Road, Cocoa, FL 32922-5703 • Phone: 321-638-1000 • Fax: 321-638-1010
www.fsec.ucf.edu



A Research Institute of the University of Central Florida

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1.0 Scope

This evaluation covers any type of photovoltaic (PV) system that is either interconnected with the utility grid or is a stand-alone system that falls within the parameters described below. These system evaluations are based on the complete design and documentation packages that accompany the application for design review. Items evaluated include safety and code compliance of the overall design, individual components and their interactions with one another, and completeness of instructions, diagrams and schematics for system installation, operation and maintenance. This review and approval procedure does not cover site-specific requirements or issues, nor do these approvals replace or exempt any requirements of electric utilities or local jurisdictional authorities such as permitting, inspections or utility interconnection agreements as required for PV system installations.

2.0 Definitions

The terms defined below have the given meaning in this document and the procedures described herein.

Alternating Current (AC): Waveform characteristic of electrical power produced from rotating machinery, typical for utility generation, transmission and distribution of power.

Allowable DOD: The maximum percentage of full-rated battery capacity that can be operationally withdrawn from a battery, dictated by the cut off-voltage and discharge rate.

Ampere-Hour (Ah): Common measure of a battery's electrical storage capacity. An ampere-hour is equal to the transfer of an average of one ampere of current over one hour period. A battery that discharges 5 amps for 20 hours delivers 100 ampere-hours.

Array: A group of panels (modules) that comprises the complete PV generating unit or system.

Average Daily DOD: The percentage of the full-rated battery capacity that is withdrawn from a battery with the average daily load profile.

Autonomy: A term used to describe the period the electrical load can operate with the given battery storage capacity in a PV system. Determined by the load current and the battery capacity from full state of charge to the load disconnect point, with no input from the PV array.

Balance of System (BOS) Components: A term used to describe components other than the major PV system components (PV modules, inverters and storage devices), including but not limited to: conductors and terminations; disconnects and overcurrent protection devices; grounding and surge protection equipment; support structures and enclosures; auxiliary systems; and instrumentation and monitoring equipment.

Batteries and Battery Bank: An electrochemical energy storage and delivery system, used in PV systems to store the energy produced by the PV array, and to provide back-up power to on-site loads or to feed the utility grid.

[FSEC Standard 203-17 Appendix, FSEC Standard 203-05 \(May 2005\) \(July 2017\)](#)

Battery Capacity: A measure of a battery's ability to store and deliver electrical energy. Commonly expressed in units of ampere-hours (Ah) at a specified temperature, discharge rate and cut-off voltage. Design features that affect battery capacity include quantity of active material; number, design and physical dimensions of the plates; and electrolyte specific gravity. Operational factors that affect battery capacity include discharge rate; depth of discharge; cut off voltage; temperature; battery age and cycle history.

Blocking Diode: Placed in series with a module or "string" of modules to prevent reverse current flow and protect PV modules. Conducts current during normal operation. Can be used to prevent discharge of batteries at night in stand-alone systems.

Bypass Diode: Also called "shunt" diodes, used to pass current around, rather than through a group of cells or modules. Permit the power produced by other parts of the array to pass around groups of cells or modules that develop an open-circuit or high resistance condition.

Charge Controller Algorithm: Defines the way the charge controller regulates the array charging of the battery. Common types include series, shunt, on-off (interrupting), constant-voltage and pulse-width-modulated (PWM).

Cut-Off Voltage: The lowest voltage that a battery is allowed to reach in nominal operation, defining the battery capacity at a specific discharge rate.

Cycle: Refers to a discharge to a given depth of discharge followed by a complete recharge. A 100 percent depth of discharge cycle provides a measure of the total battery capacity.

Depth of Discharge (DOD): The percentage of battery capacity that has been withdrawn from a battery compared to the total fully charged capacity.

Direct Current (DC): A unidirectional current or signal in an electrical circuit, usually represented with a positive and negative polarity. Photovoltaic cells and batteries are direct current (DC) devices.

Efficiency (%): The ratio of the the average output and input power of an energy conversion system. Photovoltaic module and array efficiency is defined as the maximum power output of the module/array divided by the available power from the irradiance and array surface area.

FSEC: The Florida Solar Energy Center, 1679 Clearlake Road, Cocoa, Florida 32922-5703. FSEC is one of research centers of the University of Central Florida (UCF).

Grid-Connected Photovoltaic Systems: An electrical power generating system that uses a photovoltaic (PV) array as the primary source of electricity generation, and is intended to operate synchronously (frequency and voltage) and in parallel with the electric utility network. Such systems may also include battery storage, other generating sources, and may operate on-site loads independent of the utility network during outages.

I-V Curve: Represents the current-voltage (I-V) performance of a photovoltaic cell, module or array at a given operating temperature and solar irradiance.

FSEC Standard 203-17 Appendix, FSEC Standard 203-05 (May 2005) (July 2017)

Innovative Equipment: Photovoltaic systems and/or equipment which, due to its design, ~~can not~~ cannot be evaluated adequately and fairly by methods described in this document.

Insolation (solar radiation): The energy flux from the sun received on a unit surface area, usually expressed in units of kWh/m²-day for the average daily or monthly conditions at a given location. For a given location, the amount of insolation received defines the maximum energy production of a photovoltaic array.

Inverter: A power conversion device that transforms DC power into AC power at specified voltage and frequency. Can operate directly from either PV arrays or batteries, ~~and, and~~ produce AC power to operate loads independently, or operate interconnected to and in parallel with the utility grid. Typically wide range of inverters are commercially available, from few kW's to 100's of kW's. When the inverter rated power is at the PV module level (200W-300W) the inverter is known as a micro-inverter.

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Interconnection: The technical and administrative process by which PV systems and other distributed generators are connected to and operated in parallel with the electric utility network.

Irradiance: The instantaneous solar power or rate of solar flux received on a unit surface area, generally expressed in units of watts per square meter (W/m²). A typical peak value for irradiance at noon on a clear day, on a surface normal to the sun's rays is 1000 W/m².

Junction Box: An enclosed terminal block on the back of PV modules or in other parts of a system, which allows the modules/array and other subsystems to be connected electrically in the system.

Low Voltage Disconnect (LVD): The battery voltage at which a controller disconnects the load, defining the maximum DOD.

Low Voltage Disconnect Hysteresis (LVDH): The voltage between the LVD and the voltage at which the load is reconnected.

Major System Components: Includes the photovoltaic (PV) modules and array, batteries, system controller and inverter, as applicable.

Maximum Power (P_{mp}): The maximum power output of a photovoltaic cell, module or array when operated at its highest efficiency point, corresponding with the maximum power current and voltage (I_{mp} and V_{mp}).

Maximum Power Current (I_{mp}): The current output of a photovoltaic cell, module or array when operated at its maximum power point, corresponding with the maximum power voltage (V_{mp}).

Maximum Power Voltage (V_{mp}): The voltage output of a photovoltaic cell, module or array when operated at its maximum power point, corresponding with the maximum power current (I_{mp}).

Maximum System Voltage: The maximum rated voltage for a PV system, based on the rated open-circuit voltage of the array, and adjusted for the lowest ambient temperature at the installation site. Used to determine acceptable ratings for electrical devices used in the system.

Model: A photovoltaic system or component that is distinguished by a specified size, set of materials, configuration and performance. A change in any of these basic characteristics constitutes a new model.

Module: A group of PV cells connected in series and/or parallel and encapsulated in a laminate. The basic building block for PV arrays.

Nominal Operating Cell Temperature (NOCT): A reference temperature of a photovoltaic module or array, operating at an irradiance level of 800 W/m², an ambient temperature of 20° C, a wind speed of 1.0 m/s, and with the module or array in open-circuit condition.

Open-Circuit Voltage (Voc): The maximum voltage output of a photovoltaic cell, module or array; measured in an open-circuit condition.

Panel: A group of [interconnected cells and](#) modules that is the basic building block for installing PV arrays.

Peak Sun Hours: See *Insolation*

Power Optimizer: [A DC to DC conversion device designed to optimize the power output of a photovoltaic panel. Typically, these are module level electronic devices \(integrated or add-on\) that perform maximum power point tracking and panel isolation. The Power Optimizer is also known as DC or Panel Maximizer.](#)

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Rate of Charge/Discharge: The current flow into or out of a battery. Expressed as a ratio of the nominal battery capacity to the charge or discharge time period in hours.

Regulation Voltage (VR): The maximum voltage the controller allows the battery to reach before the array is disconnected.

Regulation Voltage Hysteresis (VRH): The voltage span between the VR and the voltage at which the array is reconnected to the battery.

Short-Circuit Current (Isc): The maximum current output of a photovoltaic cell, module or array; measured in a short-circuit condition, and directly proportional to the solar irradiance.

Stand-Alone Photovoltaic System: A solar photovoltaic system that supplies power independently of an electrical production and distribution network.

Standard Operating Conditions (SOC): A secondary reference condition for the performance ratings of photovoltaic modules and arrays. Based on a solar irradiance of 1,000 W/m², nominal operating cell temperature (NOCT) and under the ASTM standard G173 air mass (AM) 1.5 global spectrum. SOC represents a more typical temperature condition for PV modules and arrays operating in the field.

Standard Test Conditions (STC): The industry accepted primary reference condition for the performance ratings of photovoltaic cells, modules and arrays. Based on a solar irradiance of 1,000 W/m², a PV cell temperature of 25° C, air mass 1.5 and under the ASTM standard spectrum (AM 1.5). Seldom do PV devices

operate at STC, rather actual measurements are translated to these conditions for the purposes of ratings and comparison between different modules and arrays.

Standard: A document that specifies the performance, test procedures, durability or safety requirements for a system or component.

State of Charge (SOC): The amount of energy in a battery, expressed as a percentage of the energy stored in a fully charged battery.

System Approval: The process outlined in this standards document that provides a method for evaluating the suitability of PV system design packages.

System Controller: The device or combination of devices in a PV system that regulates the state of charge of the battery subsystem and may also provide load control functions.

System Manual: The complete documentation package accompanying an approved PV system design. Must be submitted for design review, and include at a minimum, electrical and mechanical drawings, parts/source lists, manuals for major components (modules, inverters, etc.), and instructions for installation, operation and maintenance of the system.

Total Dynamic Head: The vertical distance from the center of the pump to the point of free discharge of the water. Pipe friction is included.

4.0 System Classifications

The design review process focuses on two categories of photovoltaic systems: grid-connected and stand-alone.

4.1 Grid-Connected Systems

Two types of grid-connected photovoltaic systems are considered in this FSEC standard. These include grid-connected PV systems without battery storage and grid-connected PV systems with battery storage. For the purposes of this document and the scope of the design review and approval process, the following is the intended definition of a grid-connected photovoltaic system:

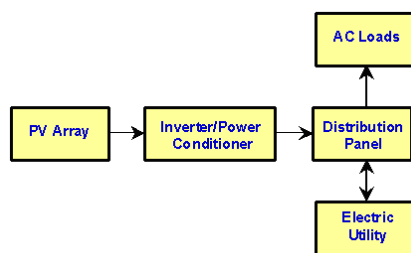
“An electrical power generating system that uses a photovoltaic (PV) array as the primary source of electricity generation, and is intended to operate synchronously and in parallel with the electric utility network. Such systems may also include battery storage, other generating sources, and may operate on site loads independent of the utility network during outages.”

There are three types of stand-alone systems covered by this document. These include PV-powered water pumping systems, PV-powered lighting systems, and remote residential PV systems.

4.1.1 Grid-Connected PV Systems without Battery Storage

[FSEC Standard 203-17Appendix, FSEC Standard 203-05 \(May 2005\) \(July 2017\)](#)

Grid-connected or utility-interactive designed to operate in parallel with to the electric utility grid. The component in grid-connected PV inverter, or power-conditioning unit converts the DC power produced by AC power consistent with the quality requirements of the utility automatically stops supplying power the utility grid is not energized. A bi-interface is made between the PV circuits and the electric utility



PV systems are and interconnected primary systems is the (PCU). The PCU the PV array into voltage and power grid, and to the grid when directional system AC output network, typically

at the on-site distribution panel or service entrance. This allows the AC power produced by the PV system to either supply on-site electrical loads, or to supply power to the grid when the PV system output is greater than the on-site load demand. At night and during other periods when the electrical loads are greater than the PV system output, the balance of power required by the loads is received from the electric utility. When the utility grid is down, these systems automatically shut down and disconnect from the grid. This safety feature is required in all grid-connected PV systems, and ensures that the PV system will not continue to operate and feed back onto the utility grid when the grid is down for service or repair.

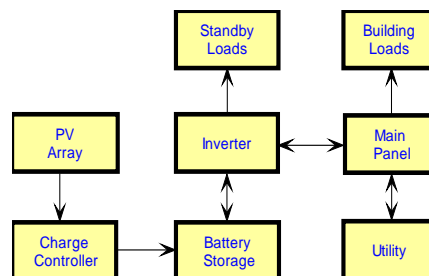
4.1.2 Grid-Connected PV Systems with Battery Storage

This type of system is extremely popular for homeowners and small businesses where backup power is required for standby loads such as refrigeration, water pumps, lighting and other necessities. Under normal operating conditions, the system operates in a grid-connected mode, supplementing the on-site loads or sending excess power back onto the grid while keeping the battery fully charged. In the event the grid becomes de-energized, control circuitry in the inverter opens the connection with the utility through a bus transfer mechanism, and operates the inverter from the battery to supply power to the dedicated standby load circuits only. In this configuration, standby loads are typically supplied from a dedicated load sub panel.

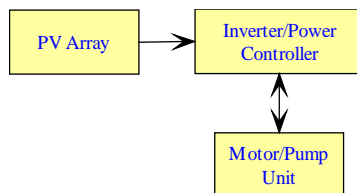
4.2 Stand-Alone Systems

Each of these systems can provide power to DC loads. With the incorporation of an inverter in the system, each can also supply AC loads. Unlike the grid-connected systems, these systems must generate all the power available to the loads. Thus, array sizing (and battery sizing where included) and load requirements are critical aspects of success in meeting the customer's needs.

4.2.1 PV-Powered Water Pumping Systems

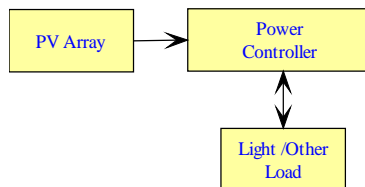


Water pumping is a major application for PV systems across the western US. Typically, these systems include a ground-mounted array (with or without an optional mechanical tracking device), a pump controller, an inverter for AC pump motors, and the pump/motor assembly operating off either DC or AC. Water is pumped only during daylight hours and is usually stored in a water tank to cover periods of bad weather. Batteries banks also may be incorporated in these systems as well.



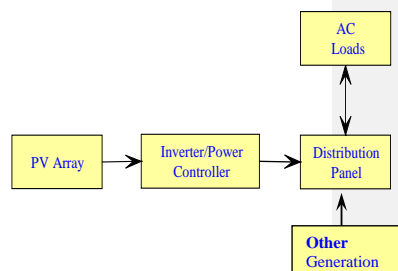
4.2.2 PV-Powered Lighting Systems

Photovoltaic-powered lighting systems are an option for providing area lighting and sign lighting in lieu of extending utility service. These systems are sold as packages including the array, batteries, battery enclosure, charge controller, lighting controller, light fixture, ballast and lamp. The systems are typically small – total module output is typically under 250 W_{STC}. The arrays are usually pole mounted or mounted to the sign structure and should be equipped with vandal resistant hardware. High-pressure sodium, low-pressure sodium, and fluorescent fixtures are popular choices for these lights. Protection of the batteries from significant temperature variations is an important installation issue with these systems. Enclosure provisions for the batteries should moderate any temperature excursions to extend the lifetime and capacity of the batteries.



4.2.3 Remote Residential PV Systems

Photovoltaic systems can power remote residences and other small facilities where utility power is not available or desired. These systems typically utilize a roof or ground mounted array, a battery charge controller, battery storage, and an inverter to supply 115 VAC, 60 Hz electrical service. These systems may also be supplied with an auxiliary source of power such as small wind generators and/or engine generators to meet electrical needs during periods of bad weather. These systems may also be configured as portable power generators, either skid or trailer mounted, and are complete packages with integrated components.



5.0 Criteria for System Approval

Criteria for system approvals are based on applicable codes and standards, and consistency with industry accepted design practices. ~~Evidence to support these criteria must be contained in the supplier's System Manual.~~ General criteria include:

- Conformance of the overall electrical design and specified installation methods with all relevant sections of the National Electrical Code (NEC).
- Evidence of applicable product listings for major components from Underwriters Laboratory (UL) or other recognized laboratory.
- Module certification according to FSEC Standard 202 (current version).
- Where battery storage is used, conformance with Applicable codes and standards.
- Warranty information for complete system and individual components.

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6.0 Application for Design Review (Manual Review)

Any system integrator, supplier, owner, designer, or installation contractor may initiate the design review process by completing an application ~~form~~ form, whether in paper form or online, and submitting all required documentation and materials to FSEC for review. A single application must accompany each system submitted.

Anyone requesting design review and approval should use the National ~~Electric~~ Electric Code (NEC) and the checklist on the application as a guide. More information regarding the process for submitting designs for review is available from FSEC's Internet web site.

The organization or individual submitting the design for approval will be responsible for meeting all criteria by providing the necessary documentation, drawings, schematics, parts lists, manuals, and warranty documentation as applicable. The initial system design review process will be completed in the order applications are received. Applications that are incomplete or inaccurate required will be identified for the applicant, and the designs must be appropriately amended by the applicant prior to approval.

7.0 Grid-Tied Evaluation Process

System manuals, electrical and mechanical drawings, component manuals and other documentation submitted for review will be evaluated according to the requirements of this document. When the review is completed, FSEC will provide the supplier with a report on the evaluation, and note any deficiencies required for approval. After all deficiencies have been resolved, approval will be granted and the supplier will be awarded a *System Approval Certificate*.

7.1 System Documentation Review

FSEC Standard 203-17 Appendix, FSEC Standard 203-05 (May 2005) (July 2017)

A complete system documentation package is a fundamental requirement for system approvals. At a minimum, this documentation must include system specifications, parts lists, ~~and electrical schematics, mechanical drawings, and instructions for the installation, operation and maintenance of the system.~~ The supplied documentation is reviewed to verify that the following items are included:

- System description and specifications
- Data sheets for all major components (modules, inverters, ~~etc.~~)
- Complete electrical schematic
- Warranty information on components and complete system

It is strongly encouraged to provide the following items with the system submittal:

- System installation and checkout procedures
- System operation, maintenance and troubleshooting instructions
- ~~Owners~~Owner's manuals for individual major components

7.2 Electrical Design Evaluation

Safe and code-compliant electrical designs are a principal concern of these approvals, and must be consistent with the requirements of the NEC. At a minimum, supplier's electrical drawings must include the types, sizes, ratings and locations of all conductors, overcurrent and disconnect devices, terminations and connectors, conduit and junction boxes, and grounding systems. Complete electrical schematics are required for these items. Design documentation, installation instructions and electrical schematics are reviewed to verify that they specify and diagram:

- Types, sizes and locations of all system conductors
- Types, ratings and locations for all required system disconnect and overcurrent devices
- Ratings and locations for blocking and bypass diodes, as applicable
- Requirements for equipment and system grounding and surge suppression
- Methods and equipment required to interface the PV system output with the electric utility grid
- Types, ratings and locations for all conduit and junction boxes
- DC voltage drop limitations and conductors required for given length
- PV module equipment grounding
- PV system grounding
- Charge controller details (if applicable)
- Battery wiring (if applicable)

7.3 PV Modules and Arrays

An important part of the system design reviews is ensuring that quality PV modules are used. Basic requirements include applicable qualification tests and product listings, and manufacturers' specifications. PV modules used in systems submitted for review must be FSEC certified. Module certification does not have to ~~preclude~~preclude the submittal of an application for system certification but is required for final approval of the design.

7.4 Power Conditioning Equipment

~~FSEC Standard 203-17~~Appendix, FSEC Standard 203-05 (May 2005) (July 2017)

Inverters, chargers, controllers, [PV Optimizer](#), and other power processing hardware are critical components in these approvals, and this equipment must meet industry standards for grid-connected PV systems. Acceptable voltage set points, and other system programming or control set points must also be consistent for the type of batteries used, as applicable. The system documentation and equipment specifications are reviewed for:

- Compliance with current standards UL 1741 and IEEE 929
- Specification and appropriateness of inverter/controller operating windows for PV array under highest and lowest temperature extremes
- Specification and appropriateness of control or programmable set points for charge control with given battery
- Inclusion of owner's, operator's and user's manuals for all major power processing components

8.0 Stand-Alone Evaluation Process

The majority of the criteria for grid-connected systems are also applicable to off-grid system approval. The electrical systems are evaluated for code compliance and sound design principles, the mechanical systems are analyzed for basic stability and function, the components must meet minimum standards and be of the appropriate type and size, and the remainder of the documentation package must clearly communicate instructions for installation, operation, maintenance, etc. Because of the nature of Off-Grid systems, some criteria differ from Grid-Tied systems. These are specific to the intended application of the PV system, and are listed in the following sections.

8.1 PV Water Pumping System

- Systems must be supplied with complete installation, operation and maintenance manuals for utility personnel and a user manual for the utility customer.
- Systems must include two distinct sub-systems including:
 - 1) a fully integrated PV power supply (PV modules and power controller or inverter) with all hardware needed for installation (excluding water pipe and pump cable), and
 - 2) the associated pump/motor unit including all wiring, fittings, etc.
- The supplier must provide:
 - performance curves for the pump as a table or chart showing pump output in gallon per minute (GPM) verses power input (W) to the unit for a given Total Dynamic Head (TDH),
 - daily water output for an isolation value of 5kWhr/m² per ~~day~~ day (5 peak sun hours).
- The pump/motor units may be DC or AC.

8.2 PV Lighting Systems

- Systems must be supplied as complete packages with all hardware and wiring necessary for installation (excluding poles or sign lighting arms and wiring for sign lights).
- Systems must have an appropriate array to load ratio (typically between 1.3 and 1.5).
- All PV system components exposed to the elements must be capable of withstanding exposure to temperatures of -20° to 45°C and shall be capable of meeting local design wind conditions.
- The supplier must provide each system's light output (foot-candles) and run time at an isolation level of 5 kWh/m² per day (5 peak sun hours).
- Systems must be capable of supplying the design energy for the specified period without auxiliary energy based on the low voltage disconnect (LVD) set point during winter temperatures and have a minimum three-year battery lifetime under typical cycling.

- The maximum allowable depth of discharge should be no more than 50 percent of the nominal battery capacity for the given discharge rates, or higher, depending upon the appropriate value for the selected battery technology. The specified LVD set point of the battery charge controller should be consistent with the maximum allowable depth of discharge for the battery.
- Battery charge voltage temperature compensation must be provided as part of the charge controller and the temperature compensation coefficients must be specified.
- Lamps, ballasts and fixtures must be suitable for outdoor application, must be fully described, and must meet a minimum 3-year service life.
- Light fixtures (and lamps) must meet a minimum illumination level of 0.4 foot-candle over a 400 square foot area for the area lighting systems and a minimum illumination of 0.8 foot-candle over the given area for sign lighting systems.

8.3 Remote Residential PV System

- Systems must be capable of supplying the design energy for at least the manufacturer-specified autonomous operation period without auxiliary energy. Compliance will be based on the low voltage disconnect (LVD) set point during winter temperatures, with the battery having a minimum three-year battery lifetime under typical cycling.
- Systems must provide 115 VAC, 60 Hz, single-phase power at a minimum.
- Systems must be supplied as complete packages and with all necessary installation hardware.
- Systems must be capable of operating in temperatures of -20° to 45°C and shall be capable of meeting local design wind conditions.
- System components/packages must have proven and documented records of field performance and successful operation in similar applications.
- Systems must have NEC approved means for accepting auxiliary 115 VAC power.
- The supplier must provide each system's expected daily AC output (kWh per day) and maximum AC power capability (peak watts) at an insolation level of 5 kWh/m² per day (5 peak sun hours) during summer months.
- For systems with batteries, flooded lead-acid batteries are not allowed for installation in any conditioned space or living/working areas of homes or facilities.
- AC output of array should be metered
- Installation completed by individual/organization with recognized competence (i.e., certified by recognized organization, installer trained by system supplier, [eteetc.](#))

9.0 Express Certification Process

Any system integrator, supplier, owner, designer, or installation contractor may initiate the design review process by utilizing the Express Certification Process in lieu of the manual certification process. FSEC Express Certification is an online tool developed by FSEC to provide system certification while expediting the permitting process for Tier 1 residential roof top solar photovoltaic systems. Express Certification requires data entry of key PV System design parameters; allows selection of PV System components from a pre-approved list; automatically performs required electrical calculations; provides verification that design meets NEC and FBC requirements; produces FSEC certified, code-compliant system; provides electronic or hard copy certified system document package that allows for expedited permitting in jurisdictions that have approved its use.

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10.0 Administration

109.1 Personnel

A Design Review Committee (DRC) consisting of designated FSEC staff members evaluates all submittals. DRC members must meet the following qualifications:

- B. S. or higher degree in engineering or equivalent.
- Sound knowledge of relevant sections of the current National Electric Code (NEC), applicable standards, and PV system design and installation practices.
- Minimum of three ~~years~~^{years} work experience in photovoltaic systems, including at least one year in PV system design.

109.2 Record Keeping

Documentation and archives for all correspondence are kept electronically and in hardcopy in the file room in the FSEC PVDG Division.

109.3 Fees

A fee sufficient to cover the costs of the design review and approval process shall be collected prior to the performance of these services. Fees may be revised as deemed necessary to cover costs. Information on the fee for this service is available at the Center.

109.4 Use of System Approval

Upon request, the system manufacturer, supplier or installation contractor shall furnish a copy of the complete *System Manual* and the *System Approval Certificate* to system owners, code enforcement officials, electric utilities or others involved in purchasing, installing, inspecting, operating or maintaining the system. The System Approval Certificate is issued to the individual or entity identified on ~~the Design~~ [the Design](#) Review Application and is a document to be under their control. Copies of the certificate will not be issued without approval of the certificate owner. An assembly of similar components, without approved documentation, does not constitute an approved system. An example of a System Approval Certificate is available from FSEC.

Note that these approvals do not replace or exempt any requirements of electric utilities or local jurisdictional authorities in matters such as permitting, inspections or utility interconnection agreements as required for PV system installations. When referring to FSEC approvals in any documentation produced by the supplier, including technical or marketing information, there shall be the following statement:

“The photovoltaic system design described in this manual, when properly installed and maintained, meets the minimum recommended practices established by the Florida Solar Energy Center. This “approval” does not imply endorsement or warranty of this product by the Florida Solar Energy Center or the State of Florida.”

109.5 Maintaining System Approvals

A database of approved grid-connected PV systems will be maintained by FSEC and produced on the Internet for public access. To verify the approval status of a PV system design package, an official or other interested party may contact FSEC or access the information via the Internet.

As indicated on the signature form required of all companies submitting a system design, manufacturers and suppliers must contact FSEC when components, configurations, or documentation for approved system are modified. FSEC ~~may evaluate~~ [may evaluate](#) approved designs on a periodic basis to determine if each *System Manual* and the system and components are still accurate and up to date any changes or updates are required. Changes in an approved system that require the approval of FSEC include:

- Changes in the type, model or manufacturer of the photovoltaic modules/arrays, battery bank, inverter or other primary system components

[FSEC Standard 203-17](#) ~~Appendix, FSEC Standard 203-05 (May 2005)~~ [\(July 2017\)](#)

- A change in the system diagram (configuration) or electrical schematic; that is, a change in the arrangement of components in the system, or a change in the ratings of specific components
- Any significant change in the *System Manual*, drawings, electrical components or array mounting hardware or design

109.5.1 Denial of Approval

If FSEC determines that the applicant does not satisfy all the criteria as outlined in this document, FSEC shall give the applicant a written report detailing all reasons for denying approval using the Design Review Checklist and Reporting Form (sample available from FSEC). An applicant aggrieved by the FSEC decision may file a written request for review with FSEC. The FSEC Director shall appoint a Review Committee, which will reconsider the information on file. Based on the Review Committee's findings, FSEC shall, affirm, modify or reverse the initial decision and shall so inform the applicant of the Review Committee's recommendations.

109.5.2 Revocation of Approval

109.5.2.1 Supplier-initiated

The party who has been issued an approval for a photovoltaic system may voluntarily terminate the approval by giving written notice to FSEC. The note shall state the effective termination date and the reasons for termination.

109.5.2.2 FSEC-initiated

FSEC may revoke or suspend an approval for a grid-connected PV system package in the event of:

- Deliberate misrepresentation of documentation submitted in the application for design review and approval
- Claiming that one PV system approval applies to another system which has not been approved
- Failure to comply with a condition of approval or product labeling
- Failure to correct a discrepancy that is detected by FSEC after initial FSEC approval. Supplier will be given 30 days in which to make corrections.

The procedure for appeal of ~~certification~~ [of certification](#) revocation shall conform to the process for appeal of denial of certification specified above.

ITEM: FFC-3

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Amendments to University Regulation UCF-4.019 Fee Policy—Payments, Refunds, and Release of Fee Liability

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Approve the attached amendments to existing university regulation UCF-4.019 Fee Policy—Payments, Refunds, and Release of Fee Liability.

BACKGROUND INFORMATION

Florida Board of Governors Regulation 1.001 provides that “Each Board of Trustees is authorized to promulgate University Regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors.”

University Regulation UCF-4.019 is being amended to clarify the language for students filing petitions for medical withdrawals and late drops.

Supporting documentation: Attachment A: Proposed University Regulation UCF-4.019 (redline)

Prepared by: Youndy C. Cook, Deputy General Counsel

Submitted by: W. Scott Cole, Vice President and General Counsel

Attachment A

UCF-4.019 Fee Policy – Payments, Refunds, and Release of Fee Liability.

- (1) All tuition, non-resident fees, associated fees, and special fines and fees that are authorized by Board of Governors Regulations 7.001, 7.002, and 7.003 are collected by the University.
- (2) Past Debts: Prior to registration for any term, students must pay or make arrangement to pay all due or delinquent amounts owed to the University.
- (3) Tuition, non-resident fees, and associated fees and their due dates are to be made available to each student for each semester in which they register.
- (4) Except in the cases of authorized deferred payment, the Registrar's Office will be notified to cancel the registration of any student who fails to pay required tuition and associated fees.
- (5) Students who fail to pay tuition and associated fees by the published deadline and whose registration is cancelled in accordance with subsection (4) above may petition to be re-registered. If the petition is approved, the student must pay or make arrangements to pay the tuition and associated fees plus a late registration fee and late payment fee.
- (6) Tuition refunds or release of fee liability are based on circumstances determined by the University to be exceptional and beyond the control of the student, and are processed as medical withdrawals or late drops. The university must document the basis for any medical withdrawal or late drop.
 - (a) The basis for a medical withdrawal involves illness of a student of such severity or duration, as confirmed in writing by a physician or other medical provider, to preclude completion of the course(s), including the death of the student.
 - (b) A late drop may only be granted to a student who has experienced an extenuating circumstance beyond the student's control and which either precludes the student from completing the course(s) or has such a severe effect on the student that the

student is substantially impaired in their ability to complete the course(s). The extenuating circumstances that may serve as basis for a late drop includes but are not limited to death in the immediate family (parent, step-parent, spouse, child, sibling, or grandparent), involuntary call to active military duty, a documented university error, ~~or other extenuating circumstance, beyond the student's control,~~ that precludes the completion of the course(s) or documented trauma to the student.

(7) A student seeking a refund of or a release from liability for tuition and fees under paragraph (6) of this Regulation must submit a request or petition, in writing. ~~Requests for refunds or other appeal action must be submitted~~ to the University within six months of the close of the semester to which the action is applicable. Petitions or requests should be submitted to the Office of Academic Services if the individual is an undergraduate student and to the College of Graduate Studies if the individual is a graduate student.

Authority: BOG Regulations 1.001, 7.001, 7.002, and 7.003. History—New 10-8-75, Amended 8-4-82, Formerly 6C7-4.19, Amended 4-27-03; Formerly 6C7-4.019, Amended 8-7-09, _____-17.

ITEM: FFC-4

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Five-year Capital Improvement Plan Revised

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Approve the revised capital improvement plan for 2018-19 through 2022-23.

BACKGROUND INFORMATION

The university must submit a revised capital improvement plan to the Board of Governors. The revised plan includes the Rosen Educational Facility in the three-year Public Education Capital Outlay list. This project was originally funded 100 percent from donations, but could now be funded from 50 percent PECO and 50 percent donations. The Research Building I funding was originally requested over three fiscal years. We are now requesting the entire PECO allocation in 2018-19.

The revised attached schedule includes projects that are proposed for inclusion in the five-year capital improvement plan.

We request approval to submit to the Board of Governors the revised 2018-19 Capital Improvement Plan with the projects listed in the attached schedule.

Supporting documentation: Attachment A: Revised 2018-19 Capital Improvement List

Prepared by: Lee Kernek, Associate Vice President for Administration and Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance
and Chief Financial Officer

Finance and Facilities Committee - New Business

Attachment: A

UNIVERSITY OF CENTRAL FLORIDA FUTURE PROJECT PROJECTIONS FOR 2018-23 2018 FIVE-YEAR FIXED CAPITAL IMPROVEMENTS PLAN								
PECO PROJECTS	REVISED 09/20/2017	2018-19 YR #1	2019-20 YR #2	2020-21 YR #3	2021-22 YR #4	2022-23 YR #5	TOTALS	RANK
UTILITIES, INFRASTRUCTURE, CAPITAL RENEWAL, AND ROOFS (P,C)		\$14,000,000	\$14,000,000	\$14,000,000	\$14,000,000	\$14,000,000	\$70,000,000	1
RESEARCH BUILDING I (P,C,E)		\$23,639,773					\$23,639,773	2
ENGINEERING BUILDING I RENOVATION (C,E)		\$17,745,473	\$1,176,311				\$18,921,784	3
COLLEGE OF NURSING AND ALLIED HEALTH (P,C,E) HEALTH SCIENCES CAMPUS		\$8,321,670	\$66,573,360	\$8,321,670			\$83,216,700	4
MATHEMATICAL SCIENCES BUILDING REMODELING AND RENOVATION (C,E)		\$11,970,963	\$890,181				\$12,861,144	5
TREVOR COUBOURN HALL AND COUBOURN DEMOLITION (P,C,E)		\$38,000,000					\$38,000,000	6
JOHN C. HITT LIBRARY RENOVATION PHASE II (P,C,E)		\$2,411,142	\$34,735,896	\$4,121,208			\$41,268,246	7
ARTS COMPLEX PHASE I (PERFORMANCE) (P,C,E)		\$3,060,000	\$27,172,800	\$3,060,000			\$33,292,800	8
ROSEN EDUCATIONAL FACILITY (P,C,E)			\$6,500,000				\$6,500,000	9
CHEMISTRY RENOVATION (P,C,E)			\$700,241	\$12,731,680	\$700,241		\$14,132,162	10
FLORIDA SOLAR ENERGY CENTER RENOVATION (P,C,E)			\$11,322,000				\$11,322,000	11
INFRASTRUCTURE CHILLED WATER REPLACEMENT (P,C)			\$5,100,000	\$10,200,000	\$7,401,120		\$22,701,120	12
RESEARCH BUILDING II (P,C,E)			\$6,859,773	\$54,878,187	\$6,859,773		\$68,597,733	13
VISUAL ARTS RENOVATION AND EXPANSION (P,C,E)			\$3,891,362	\$31,130,899	\$3,891,362		\$38,913,623	14
WASTEWATER, WATER, NATURAL GAS REPLACEMENT (P,C)			\$7,140,000	\$10,200,000	\$12,780,600		\$30,120,600	15
MILLICAN HALL RENOVATION (P,C,E)			\$1,472,991	\$11,783,935	\$1,472,991		\$14,729,917	16
BUSINESS ADMINISTRATION RENOVATION (P,C,E)			\$640,779	\$12,291,313	\$640,779		\$13,572,871	17
FACILITIES & SAFETY COMPLEX RENOVATION (P,C,E)			\$6,287,805				\$6,287,805	18
RESEARCH BUILDING III (P,C,E)			\$7,483,389	\$59,867,113	\$7,483,389		\$74,833,891	19
MULTI-PURPOSE RESEARCH AND EDUCATION BUILDING (P,C,E)			\$3,604,940	\$28,839,551	\$3,604,940		\$36,049,431	20
UCF DOWNTOWN CAMPUS BUILDING II (P,C,E)			\$87,991,555				\$87,991,555	21
TOTAL		\$119,149,021	\$168,170,789	\$177,807,152	\$231,092,359	\$50,733,834	\$746,953,155	
CITF PROJECT REQUESTS								
		2018-19 YR #1	2019-20 YR #2	2020-21 YR #3	2021-22 YR #4	2022-23 YR #5	TOTALS	RANK
JOHN C. HITT LIBRARY RENOVATION PHASE II (P,C,E)		\$41,268,246					\$41,268,246	1
CREATIVE SCHOOL FOR CHILDREN (P,C,E)			\$6,000,000				\$6,000,000	2
TOTAL		\$41,268,246	\$6,000,000	\$0	\$0	\$0	\$47,268,246	
REQUESTS FROM OTHER STATE SOURCES								
		2018-19 YR #1	2019-20 YR #2	2020-21 YR #3	2021-22 YR #4	2022-23 YR #5	TOTALS	RANK
RESEARCH BUILDING I (P,C,E)		\$3,353,680	\$17,264,759	\$3,021,334			\$23,639,773	1
ARA RESEARCH BUILDING		\$27,540,000					\$27,540,000	2
CAMPUS ENTRYWAYS PHASE I (P,C,E)		\$2,153,996					\$2,153,996	3
CAMPUS ENTRYWAYS PHASE II (P,C,E)			\$5,015,978				\$5,015,978	4
WELCOME CENTER EXPANSION (P,C,E)			\$8,768,771				\$8,768,771	5
CIVIL AND ENVIRONMENTAL ENGINEERING (P,C,E)			\$1,535,637	\$22,937,137	\$1,535,637		\$26,008,411	6
HOWARD PHILLIPS HALL RENOVATION (P,C,E)			\$9,165,322				\$9,165,322	7
BIOLOGICAL SCIENCES RENOVATION (P,C,E)			\$10,189,800				\$10,189,800	8
FERRELL COMMONS (E AND G SPACE) RENOVATION (P,C,E)			\$7,253,771				\$7,253,771	9
TRANSGENIC ANIMAL FACILITY (P,C)			\$2,010,000				\$2,010,000	10
CAMERA ACCESS CONTROL (P,C)			\$13,219,200				\$13,219,200	11
ARTS COMPLEX PHASE II (PERFORMANCE) (P,C,E)				\$3,855,522	\$30,844,179	\$3,855,522	\$38,555,220	12
CLASSROOM BUILDING III (P,C,E)				\$3,052,049	\$25,290,675	\$3,052,049	\$29,394,773	13
FACILITIES AND SAFETY BUILDING AT HEALTH SCIENCES CAMPUS (P,C,E)				\$7,630,122			\$7,630,122	14
RECYCLING CENTER (P,C)				\$2,924,880	\$23,399,042	\$2,924,880	\$29,248,802	15
HUMANITIES AND FINE ARTS II (P,C,E)				\$3,525,566	\$21,695,783	\$3,525,566	\$28,746,915	16
SOCIAL SCIENCES FACILITY (P,C,E)				\$3,052,049	\$24,416,391	\$3,052,049	\$30,520,489	17
UCF HEALTH EXPANSION AND WELLNESS CENTER (P,C,E)				\$1,271,687	\$10,173,496	\$1,271,687	\$12,716,870	18
COASTAL BIOLOGY STATION (P,C,E)				\$6,358,435			\$6,358,435	19
UCF DOWNTOWN CAMPUS BUILDING II (P,C,E)				\$87,991,555			\$87,991,555	20
TECHNOLOGY COMMONS II RENOVATION (P,C,E)					\$3,781,674		\$3,781,674	21
COLLEGE OF SCIENCES BUILDING RENOVATION (P,C,E)					\$4,091,598		\$4,091,598	22
SIMULATION AND TRAINING BUILDING (P,C)					\$3,014,325	\$23,412,234	\$26,426,559	23
BUSINESS ADMINISTRATION III BUILDING (P,C)					\$2,015,023	\$15,650,667	\$17,665,690	24
EDUCATION BUILDING II (P,C)					\$2,428,390	\$18,361,845	\$20,790,235	25
BAND BUILDING II INFRASTRUCTURE (P,C)					\$578,675	\$3,561,078	\$4,139,753	26
ARTS COMPLEX III (P,C)					\$1,889,327	\$15,995,013	\$15,884,340	27
RESEARCH BUILDING IV (P,C)					\$2,927,203	\$25,291,037	\$28,218,240	28
THEATRE BUILDING RENOVATION (P,C,E)						\$4,338,335	\$4,338,335	29
SUSTAINABILITY CENTER (P,C,E)						\$6,358,435	\$6,358,435	30
WET TEACHING LAB AND EXPANDED STEM FACILITY (P)						\$16,143,188	\$16,143,188	31
UTILITY INFRASTRUCTURE AND SITE WORK CLINICAL FACILITIES HEALTH SCIENCES CAMPUS (P,C)						\$13,230,632	\$13,230,632	32
TOTAL		\$33,047,676	\$74,423,238	\$145,620,336	\$156,081,415	\$158,024,217	\$567,196,882	
REQUESTS FROM NON-STATE SOURCES, INCLUDING DEBT								
		2018-19 YR #1	2019-20 YR #2	2020-21 YR #3	2021-22 YR #4	2022-23 YR #5	TOTALS	RANK
DOWNTOWN WELCOME CENTER (P,C,E)		\$3,060,000					\$3,060,000	
UCF SOLAR FARM (P,C,E)		\$15,300,000					\$15,300,000	
INSTITUTE FOR HOSPITALITY IN HEALTHCARE (P,C,E) HEALTH SCIENCES CAMPUS		\$15,300,000					\$15,300,000	
UCF DOWNTOWN CAMPUS GARAGE II (P,C,E)		\$16,983,000					\$16,983,000	
SPECIAL PURPOSE HOUSING AND PARKING GARAGE (P,C,E)		\$30,569,400					\$30,569,400	
SPECIAL PURPOSE HOUSING II (P,C,E)		\$9,782,208					\$9,782,208	
PARKING DECKS (P,C,E)		\$20,787,192					\$20,787,192	
GRADUATE HOUSING (P,C,E)		\$61,138,800					\$61,138,800	
STUDENT HOUSING (P,C,E)		\$61,138,800					\$61,138,800	
PARTNERSHIP GARAGE (P,C,E)		\$8,559,432					\$8,559,432	
BASEBALL STADIUM EXPANSION PHASE II (P,C,E)		\$3,396,600					\$3,396,600	
GARVY CENTER FOR STUDENT-ATHLETE NUTRITION		\$1,850,000					\$1,850,000	
BASEBALL CLUBHOUSE EXPANSION AND RENOVATION (P,C,E)		\$1,132,200					\$1,132,200	
FOOTBALL BUILDING (P,C,E)		\$16,685,798					\$16,685,798	
GOLF TRAINING FACILITY (P,C,E)		\$2,000,000					\$2,000,000	
SPECTRUM STADIUM RUST REMEDIATION (P,C,E)		\$8,825,000					\$8,825,000	
VENUE HVAC (P,C)		\$2,800,000					\$2,800,000	
VENUE EXPANSION AND RENOVATION (P,C)		\$8,000,000					\$8,000,000	
PARKING DECK (P,C,E)		\$5,661,000					\$5,661,000	
MULTI-PURPOSE MEDICAL RESEARCH AND INCUBATOR FACILITY (P,C,E)		\$139,635,343					\$139,635,343	
OUTPATIENT CENTER (P,C,E) LAKE NONA		\$91,708,200					\$91,708,200	
CAMPUS ENTRYWAYS PHASE I (P,C,E)		\$2,153,996					\$2,153,996	
ROSEN EDUCATIONAL FACILITY (P,C,E)			\$6,500,000				\$6,500,000	
CREATIVE SCHOOL FOR CHILDREN			\$6,000,000				\$6,000,000	
CAMPUS ENTRYWAYS PHASE II (P,C,E)			\$5,015,978				\$5,015,978	
CIVIL AND ENVIRONMENTAL ENGINEERING (P,C,E)			\$1,535,637	\$22,937,137	\$1,535,637		\$26,008,411	
HEALTH SCIENCES CAMPUS PARKING GARAGE I (P,C,E)			\$16,983,000				\$16,983,000	
BIO-MEDICAL ANNEX RENOVATION AND EXPANSION (P,C,E)				\$14,492,160			\$14,492,160	
FACILITIES AND SAFETY BUILDING AT HEALTH SCIENCES CAMPUS (P,C,E)				\$7,630,122			\$7,630,122	
PARKING GARAGE VII (P,C,E)				\$25,433,741			\$25,433,741	
COASTAL BIOLOGY STATION (P,C,E)				\$6,358,435			\$6,358,435	
UCF DOWNTOWN CAMPUS BUILDING II (P,C,E)				\$87,991,555			\$87,991,555	
UCF HEALTH EXPANSION AND WELLNESS CENTER (P,C,E)				\$1,271,687	\$10,173,496	\$1,271,687	\$12,716,870	
DENTAL SCHOOL (P,C,E) HEALTH SCIENCES CAMPUS					\$73,000,000		\$73,000,000	
SUSTAINABILITY CENTER (P,C,E)						\$6,358,435	\$6,358,435	
WET TEACHING LAB AND EXPANDED STEM FACILITY (P,C,E)						\$16,143,188	\$16,143,188	
UTILITY INFRASTRUCTURE AND SITE WORK CLINICAL FACILITIES HEALTH SCIENCES CAMPUS						\$13,230,632	\$13,230,632	
SPECTRUM STADIUM EXPANSION AND IMPROVEMENTS PHASE I (P,C,E)						\$16,416,900	\$16,416,900	
SPECTRUM STADIUM EXPANSION AND IMPROVEMENTS PHASE II (P,C,E)						\$44,905,316	\$44,905,316	
TOTAL		\$526,464,969	\$36,034,615	\$166,114,837	\$84,709,133	\$98,326,158	\$911,649,712	
GRAND TOTAL		\$719,929,912	\$284,626,642	\$489,542,325	\$471,882,907	\$307,084,209	\$2,273,067,995	

Projects to be programmed

Projects with approved building programs

Remodeling denotes change in space usage.

Renovation denotes no change in space usage.

ITEM: FFC-5

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Lake Nona Incubator Lease Agreement

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Approve an amendment to the lease agreement with the Lake Nona Innovation Center I, LLC, for the life sciences incubator at Lake Nona.

BACKGROUND INFORMATION

UCF's obligations under the 12-year lease with Tavistock, approved by the UCF Board of Trustees on November 17, 2016, remain pending until substantial completion of the build out of the multi-tenant life sciences incubator. Tavistock has obtained an additional \$2,324,223 from Florida Hospital, co-recipient (with Tavistock) of the initial grant for the Innovation Center. Accordingly, the lease is being revised to include these additional funds and to define their intended use.

Supporting documentation: Attachment A: First Amendment to Lease
Attachment B: Lease Agreement

Prepared by: Sandra M. Sovinski, Senior Associate General Counsel

Submitted by: Thomas O'Neal, Associate Vice President for Innovation and Commercialization

Attachment A

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("**Amendment**") is made as of the ___ day of _____, 2017, by and among **LAKE NONA INNOVATION CENTER I, LLC**, a Florida limited liability company ("**Landlord**") and **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES**, a public body corporate ("**Tenant**").

- A. Landlord and Tenant are parties to that certain Lease dated March 10, 2017 (the "**Lease**").
- B. Tenant and Landlord desire to correct and modify certain provisions of the Lease.

NOW, THEREFORE, in consideration of the mutual terms and conditions herein set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Recitals.** The foregoing recitals are incorporated herein by reference as though fully set forth below. Defined terms used within this First Amendment shall have meanings set forth in the Lease unless otherwise expressly provided herein.

2. **Use.** Section 1 Item 32 of the Lease is revised and restated to read as follows:

32. "**Use**" shall mean and be limited to operation by Tenant of a life sciences business incubator facility and an associated administrative office for the University of Central Florida, but for no other purpose. The incubator facility, and all of the activities of Tenant and Clients (defined below) operating in the Premises, shall be focused on translational research and/or drug development, and related commercialization. The permitted Use shall not, however, include medical offices or clinics, but may include medical research and biological wet laboratory space. Without limitation the Use, and all of the other provisions of this Lease, shall be subject to the provisions of **Exhibit "G"** attached hereto and made a part hereof.

3. **Tenant Improvement Allowance.** Exhibit D Section 1.24 of the Lease is revised and restated to read as follows:

1.24. "**Tenant Improvement Allowance**" will mean up to a maximum amount of Three Million Nine Hundred Seventy Four Thousand Two Hundred Twenty Three and No/100 Dollars (\$3,974,223.00), as further provided below. The Tenant Improvement Allowance is allocated and may only be used (unless otherwise approved by Landlord) as follows:

- a. Fixed Leasehold Improvements Construction Costs: \$2,950,000
- b. Furnishings, Fixtures and Equipment: \$800,000
- c. Incubator Facility Operational Expenses \$224,223

The Furnishings, Fixtures and Equipment (the "**FF&E**") portion of the Tenant Improvement Allowance shall be paid by Landlord to Tenant on a reimbursement basis upon Landlord's receipt of invoices from Tenant for those FF&E expenses, such FF&E items and related costs to be subject to approval by Landlord in its reasonable discretion. The Incubator Facility Operational Expenses shall be paid by Landlord to Tenant as follows: Tenant shall submit an annual operational budget to Landlord for approval upon occupancy of the Premises. Upon Landlord's approval of that budget in its reasonable discretion, Tenant shall submit an invoice to Landlord up to the approved operational

budget amount for payment from the portion of the Tenant Improvement Allowance allocated to Incubator Facility Operational Expenses. If the entire Operational Expenses allocation is not disbursed for that initial year Tenant may submit additional annual budget(s) in subsequent year(s) for approval by Landlord and disbursement of the remaining allocated Operational Expenses funds.

4. **Construction Contract for Leasehold Improvements.** Exhibit D Section 2.3 is revised and restated in its entirety to read as follows:

2.3 **Construction Contract for Leasehold Improvements.** Landlord shall on behalf of Tenant enter into a Construction Contract for the construction of the Leasehold Improvements which shall be in form and substance as determined by Landlord, subject to the requirements of this Addendum and approved in writing by Tenant, which approval shall not be unreasonably withheld, conditioned or delayed. Upon each execution by Landlord of the Leasehold Improvements construction contract, and prior to commencement of construction thereunder, Tenant shall pay to Landlord a sum equal to the anticipated total cost of such Leasehold Improvements Work (including all labor, materials, fees, costs, design and permitting charges and other related expenses) in excess of the portion of the Tenant Improvement Allowance specified for Fixed Improvements Construction Costs in Section 1.24 of this **Exhibit "D"**. Landlord may use such funds received from Tenant for the first draw payments related to the Leasehold Improvements Work until such funds are exhausted. Thereafter Landlord shall fund the balance of such costs up to the amount of the Fixed Improvements Construction Costs portion of the Tenant Improvement Allowance. If the total Leasehold Improvements Work costs exceeds the anticipated cost estimated at the commencement of construction, Tenant shall be solely responsible for such excess costs and shall immediately pay to Landlord the sum equal to the total of such excess costs upon notice of same from Landlord. At such time as it is determined that the costs of the Leasehold Improvements construction contract shall exceed the Fixed Improvements Construction Costs portion of the Tenant Improvement Allowance Tenant may elect by notice to Landlord to receive from Landlord in addition to the Tenant Improvement Allowance (the "**Additional Allowance**") up to a total maximum amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) to be applied to fund all or a portion of such excess amount. In such event the amount of the Additional Allowance to be funded by Landlord shall be added to Tenant's Fixed Annual Rent based upon an amortization of such amount over a two (2) year period together with interest accruing thereon at the rate of six percent (6%) per annum. In the event of such Additional Allowance election Landlord and Tenant shall execute an amendment to this Lease setting forth the modified Fixed Annual Rent schedule payable by Tenant. If after election of an Additional Allowance Tenant duly and timely elects to exercise its early termination option set forth in Section 3.B above such exercise shall not be effective unless Tenant simultaneously with exercising such early termination option pays to Landlord the full amount of the Additional Allowance which has not been repaid to Landlord under such Fixed Annual Rent amortization as of the date of such election notice.

5. **FF&E.** Notwithstanding any other provision of the Lease to the contrary, upon the expiration or termination of the Lease if elected by Landlord the FF&E items which were funded by the Tenant Improvement Allowance shall be deemed assigned and conveyed to Landlord, and shall not be removed by Tenant from the Premises by Tenant when Tenant vacates the Premises. Tenant shall upon Landlord's request execute a bill of sale and any other instruments reasonably requested by Landlord to confirm and evidence such transfer of ownership to Landlord. The FF&E shall be transferred to Landlord in good condition and repair, and shall not be subject to any lien or encumbrance in favor of any party.

6. Limitation. Except as otherwise expressly provided herein, all of the terms of the Lease are hereby ratified and shall remain in full force and effect.

[EXECUTIONS ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to Lease, or have caused the same to be executed as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

LANDLORD:

**LAKE NONA INNOVATION CENTER I,
LLC**, a Florida limited liability company

Print Name: _____

By: _____
James L. Zboril, President

Print Name: _____

[SEAL]

Date: _____, 2017

TENANT:

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**, a public body
corporate

Print Name: _____

By: _____
Name: _____
Title: _____

Print Name: _____

[SEAL]

Date: _____, 2017

Attachment B

LEASE
BETWEEN
LAKE NONA INNOVATION CENTER I, LLC,
AS LANDLORD
AND
UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES,
AS TENANT

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LEASE

THIS LEASE ("Lease") is made by and between LAKE NONA INNOVATION CENTER I, LLC, a Florida limited liability company ("**Landlord**"), and UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES, a constituent member of the Florida state university system existing pursuant to Section 7, Article IX of the Constitution of the State of Florida and is administered by the Board of Trustees, a public body corporate, pursuant to said Section and Section 1001.72, Florida Statutes ("**Tenant**").

WITNESSETH:

SUMMARY OF LEASE PROVISIONS

SECTION 1 – BASIC DATA. Certain fundamental provisions of this Lease are presented in this summary format in this Section 1 to facilitate convenient reference by the parties hereto. All references in this Lease to the following terms shall be accorded the meanings or definitions given in this Section, as though such meaning or definition were fully set forth throughout the text hereof, unless such meanings are expressly modified, limited or expanded elsewhere in this Lease. This Section, together with the terms herein referenced, shall constitute an integral part of this Lease. Additional defined terms may appear in other provisions of this Lease and, if so, will have the respective meanings assigned to them. The definition of a term or phrase in the singular will include and allow for a reference to such term or phrase in the plural or vice versa.

1. "**Alteration**" shall mean any improvements, changes or alterations in or about the Premises (as defined in Section 13) other than the initial Leasehold Improvements (as defined herein).

2. "**Base Building**" shall have the meaning set forth in Exhibit "D" (the "**Construction Addendum**").

3. "**B.O.M.A. Method**" shall mean the standard method for measuring floor area in office buildings as published by the Builders, Owners and Managers Association International, ANSI/B.O.M.A. Z65.1-1996, and approved June 7, 1996 by the American National Standards Institute, Inc.

4. "**Building**" shall mean the building which has been constructed by Landlord on the Building Land (as defined in Section 1.5). A general description of the Building is a three (3) story office and research building, containing the Premises, approximately seventy seven thousand two hundred ten (77,210) square feet of additional tenant space, and parking at grade. The Building is commonly known as "Innovation Center I".

5. "**Building Land**" shall mean that certain real property more particularly described on Exhibit "A" attached hereto and made a part hereof.

6. "**Business Days**" shall mean all days, except Saturdays, Sundays, New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

7. "**Commencement Date**" shall mean date Landlord obtains a certificate of occupancy for the Premises.

8. "**Common Areas**" shall mean the following areas: (i) any areas in the Building devoted

to shared lobbies, hallways, elevators, rest rooms, janitorial closets, mailrooms, vending areas and other similar facilities provided for the common use or benefit of tenants generally and/or for the public located in the Building (but shall not include any such areas designated for the exclusive use or benefit of a particular tenant, including Tenant); (ii) portions of the Building used for mechanical rooms, electrical facilities, telephone closets, fire towers and building stairs (but shall not include any such areas designated for the exclusive use or benefit of a particular tenant, including Tenant), provided Tenant is not granted a license to utilize such areas; (iii) elevator shafts, vents, stacks, pipe shafts and vertical ducts, provided Tenant is not granted a license to utilize such areas; and (iv) those portions of the Building and/or the Building Land which are provided and maintained for the common use and benefit of Landlord and tenants of the Building only and employees and invitees and licensees of Landlord and such tenants; including, without limitation, all atriums, walkways, parking areas, and all streets, sidewalks and landscaped areas comprising the Building Land.

9. **"Effective Date"** shall mean the date this Lease has been fully executed by both Landlord and Tenant and a fully executed original of such executions has been delivered to both parties.

10. **"Fixed Annual Rent"** shall mean and Tenant shall pay base rental (**"Fixed Annual Rent"**) for the Term (as defined herein) as follows:

<u>Lease Year</u>	<u>Base Rate Per Rentable Square Foot</u>	<u>Annual Base Rental</u>	<u>Monthly Base Rental (Not Incl. Sales Tax)</u>
1	\$25.00	\$250,000.00	\$20,833.33
2	\$25.75	\$257,500.00	\$21,458.33
3	\$26.53	\$265,300.00	\$22,108.33
4	\$27.33	\$273,300.00	\$22,775.00
5	\$28.15	\$281,500.00	\$23,458.33
6	\$29.00	\$290,000.00	\$24,166.67
7	\$29.87	\$298,700.00	\$24,891.67
8	\$30.77	\$307,700.00	\$25,641.67
9	\$31.70	\$317,000.00	\$26,416.67
10	\$32.65	\$326,500.00	\$27,208.33
11	\$33.63	\$336,300.00	\$28,025.00
12	\$34.64	\$346,400.00	\$28,866.67

Fixed Annual Rent shall be due beginning on the Commencement Date.

11. **"Governmental Authority"** shall have the meaning set forth in Section 56.

12. **"Governmental Requirements"** shall have the meaning set forth in Section 56.

13. **"Hazardous Substance"** shall mean any flammables, explosives, radioactive material, hazardous wastes, hazardous or toxic substances or related materials, asbestos or any material containing asbestos, medical waste, special and infectious waste, biological materials (including without limitation blood and blood products), electromagnetic fields, mold and chemicals known to cause cancer or reproductive toxicity, or any other substance or material as defined in any federal, state or local environmental Governmental Requirement, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601 et seq.; the Hazardous Materials Transportation Act, 42 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the

Clean Water Act, 33 U.S.C. § 1251 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Toxic Substance Control Act, 15 U.S.C. §2601 et seq.; the regulations of the Occupational Safety and Health Administration, 29 C.F.R. § 1910.1001; the National Emission Standard for Hazardous Air Pollutants, 40 C.F.R. Part 61, Subpart M; and the regulations adopted in publications promulgated pursuant to each of the foregoing (collectively, the "Environmental Laws").

14. "**Landlord**" shall mean Lake Nona Innovation Center I, LLC, a Florida limited liability company. Landlord may at any date after the Effective Date transfer title to the Project to an affiliate or subsidiary of Lake Nona Innovation Center I, LLC, and in such event the transferee shall assume all of the obligations of Landlord hereunder, and Lake Nona Innovation Center I, LLC shall be released from all obligations and liabilities under this Lease.

15. "**Lease Year**" shall mean the following for the first Lease Year of the Term: the twelve (12) full month period beginning on the Commencement Date. If the Commencement Date falls on a day other than the first day of a month, then the first Lease Year shall include the period from the Commencement Date through the end of the calendar month in which the Commencement Date falls. Commencing with the second Lease Year and for each Lease Year thereafter occurring during the Term, "Lease Year" shall mean each twelve (12) month period commencing on the first day of the second Lease Year and each anniversary thereof. For example, if the Commencement Date occurred on January 15, 2015, then the first Lease Year would commence on January 15, 2015 and would end on January 31, 2016, and each subsequent Lease Year would be the twelve (12) month period from February 1 through January 31.

16. "**Leasehold Improvement Plans**" shall have the meaning set forth in Section 1.14 of the Construction Addendum.

17. "**Leasehold Improvements**" shall have the meaning set forth in Section 1.15 of the Construction Addendum.

18. "**Material Alterations**" shall mean any alteration which: (i) in any way affects the exterior of the Premises or is not limited solely to the interior of the Premises; or (ii) is structural in nature or otherwise affects the strength of the Building; or (iii) affects the mechanical, electrical, sanitary (including plumbing), or other services of the Building; or (iv) has an aggregate cost greater than Twenty Five Thousand and No/100 Dollars (\$25,000.00).

19. "**Normal Business Hours**" shall mean from 7:30 a.m. to 6:00 p.m. during all Business Days.

20. "Notice Address":

To Landlord at: Lake Nona Innovation Center I, LLC
6900 Tavistock Lakes Blvd.
Suite 200
Orlando, Florida 32827
Attention: James L. Zboril, President and
Michelle Rencoret, General Counsel

with a required
simultaneous copy
of default notices
to: Akerman LLP
420 South Orange Avenue, Suite 1200
Orlando, Florida 32801
Attention: Jeffrey P. Wieland, Esq.

To Tenant at: University of Central Florida
12201 Research Parkway, Suite 501
Orlando, FL 32826-3246
Attention: Thomas O'Neal, Associate Vice
President

with a required University of Central Florida
simultaneous copy 4365 Andromeda Loop North
of default notices Orlando, FL 32816-0016
to: Attention: Scott Cole, General Counsel

21. "**Premises**" shall mean that portion of the second (2nd) floor of the Building as substantially identified by labeling on the floor plans attached hereto and made a part hereof as **Exhibit "B"** containing a total of approximately Ten Thousand (10,000) square feet of Rentable Area (as defined in Section 1.23 below), subject to adjustment as provided in Section 2 hereof.

22. "**Project**" means the Building Land, together with all improvements constructed or to be constructed thereon from time to time including, but not limited to, the Building and Common Areas.

23. "**Rentable Area**" shall mean the total rentable area of the Premises and of the Building, respectively, as calculated by Landlord's architect pursuant to Section 2.C below. As of the Effective Date Rentable Area of the Premises means approximately Ten Thousand (10,000) square feet and Rentable Area of the Building means approximately Ninety Two Thousand Two Hundred Ten (92,210) square feet, and such are subject to adjustment as provided in Section 2 hereof.

24. "**Rent Payment Location**" shall mean 6900 Tavistock Lakes Blvd., Suite 200, Orlando, Florida 32827, or such other location as Landlord may designate in writing from time to time.

25. "**Stipulated Rate**" means interest at the lesser of (a) the rate of ten percent (10%) per annum, or (b) the highest legal rate of interest permitted under Florida law.

26. "**Subtenant**" shall mean a sublessee of all or part of the Premises from Tenant excluding Tenant's Business Incubation Program Clients with subleases permitted by Section 23.A below.

27. "**Tenant**" shall mean University of Central Florida Board of Trustees, a public body corporate.

28. "**Tenant's Property**" shall mean all movable partitions, business and trade fixtures, machinery and equipment (including, without limitation, imaging and lab equipment), computers, furniture, signage, communications equipment and office equipment, whether or not attached to or built into the Premises which are installed in the Premises by or for the account of Tenant and can be removed without structural damage to the Building and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises.

29. "**Tenant's Proportionate Share**" shall mean ten and eight tenths percent (10.8%), subject to adjustment as provided in Section 2 hereof. Tenant's Proportionate Share shall be due commencing upon the Commencement Date.

30. "**Term**" shall mean one hundred forty four (144) full calendar months commencing on the Commencement Date and ending at 11:59 p.m. on the last day of the twelfth (12th) Lease Year ("**Expiration Date**") or on such earlier date in which the Term of this Lease shall expire or be cancelled or

terminated pursuant to any of the conditions or covenants of this Lease or pursuant to law.

31. "**Usable Area**" shall mean the total usable area (as it exists from time to time) based on the B.O.M.A. Method as modified to include in Usable Area the area of vertical mechanical chases.

32. "**Use**" shall mean and be limited to operation by Tenant of a life sciences business incubator facility and an associated administrative office for the University of Central Florida but for no other purpose. The permitted Use shall not, however, include medical offices or clinics, but may include medical research and biological wet laboratory space. Without limitation the Use, and all of the other provisions of this Lease, shall be subject to the provisions of **Exhibit "G"** attached hereto and made a part hereof.

STANDARD PROVISIONS OF LEASE

SECTION 2 – PREMISES.

A. Subject to the Rent, terms and conditions of this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises, subject to the terms and provisions of this Lease to have and to hold for the Term, unless the Term shall be sooner terminated as hereinafter provided. Landlord agrees to tender exclusive possession of the Premises to Tenant (and Tenant agrees to accept possession of the Premises from Landlord) upon Substantial Completion of the Leasehold Improvements Work.

B. Landlord and Tenant acknowledge and agree that the Rentable Area of the Premises and the Building specified in Section 1.23 of this Lease are approximations. After Substantial Completion of the Leasehold Improvements (as defined in Sections 1.15 and 1.22 of the Construction Addendum) Landlord shall, at Landlord's own expense, direct its architect to determine the actual Rentable Areas of the Premises and the Building and the Tenant's Proportionate Share (calculated as provided in Section 2.C. below and showing in detail the method of calculation thereof as actually constructed) and certify the same to Landlord and Tenant. In the event that the foregoing measurements as determined in good faith by Landlord's architect are greater or less than the square footage specified in Section 1.23 of this Lease, the Rentable Areas of the Premises and Building and Tenant's Proportionate Share shall be adjusted to equal the amount so determined, and the Fixed Annual Rent, the Tenant Improvement Allowance (as defined in Section 1.24 of the Construction Addendum), and all other amounts specified in this Lease which are calculated based on the Rentable Area of the Premises and/or Building shall be adjusted accordingly.

C. The Rentable Area of the Building shall be determined by making separate calculations of Rentable Area applicable to each floor within the Building and totaling the Rentable Area of all floors within the Building. The Rentable Area of a floor shall be calculated based upon the modified B.O.M.A. Method but shall also include the area of vertical mechanical chases. The term "**Rentable Area**," when applied to the Premises, is that area equal to the Usable Area of the Premises, plus an equitable allocation of Rentable Area within the Building that is not then utilized or expected to be utilized as Usable Area, including but not limited to that portion of the Building devoted to corridors, equipment rooms, restrooms, elevator lobby, atrium and mailroom.

D. In the event Tenant disagrees with Landlord's architect's determination of the Rentable Areas of the Premises or Building as constructed, Tenant shall have the right to obtain a good faith determination of the measurement in question by an architect of its choosing, within thirty (30) days after Tenant's receipt of Landlord's architect's determination. In order to challenge Landlord's architect's determination, Tenant shall be required to have its architect determine the actual Rentable Areas of the Premises and the Building and the Tenant's Proportionate Share as described above, and Tenant's architect shall certify the same to Landlord and Tenant. If the determinations of the measurement in question by the architects of the respective parties differ, the architects shall each be provided with a copy of the other

party's architect's determination. The two (2) architects shall have fourteen (14) days from delivery of the other party's architect's determination to agree or to select a mutually agreeable third architect. Such third architect shall have thirty (30) days from the date he or she is selected to make such independent measurements and investigation as he or she deems reasonable and necessary and to deliver to the parties a written determination. The determination of such third architect or engineer will be final, binding and non-appealable. Each party shall bear the cost and fees of its architect, and both parties shall equally divide the costs and fees of the third architect. If the architects of the respective parties fail to agree yet do not appoint a third architect within the time provided, then either party may request that the then President of Orange County chapter of the American Institute of Architects (or its successor organization) appoint such third architect. If Orange County does not have a chapter of the American Institute of Architects, then either party may request the Chief Judge of the Orange County Circuit Court to appoint such third architect or engineer. If the parties have not agreed upon the Rentable Area of the Premises, Tenant shall pay Fixed Annual Rent during the period prior to the final determination in an amount calculated using Landlord's architect's determination of the Rentable Area of the Premises. Upon the final determination of the Rentable Area of the Premises, Tenant shall immediately pay any amounts which were due and not paid, or Landlord shall credit Tenant's account for any excess amounts previously paid, as the case may require.

SECTION 3 – TERM; EARLY TERMINATION.

A. Term. The Term shall commence on the Commencement Date. Notwithstanding that the Term commences at a date later than the Effective Date, this Lease shall be a fully binding obligation of the parties as of the Effective Date.

B. Tenant's Early Termination Option. Tenant is currently pursuing recurring appropriations by the Legislature of the State of Florida for funding for its anticipated operations to occur at the Premises in the annual amount of \$1,200,000. Tenant shall diligently pursue obtaining approval of such recurring appropriations through the 2017, 2018 and 2019 State of Florida Legislative Sessions. Should Tenant not receive any such recurring appropriations approval by the Florida Legislature during either the 2017, 2018, or 2019 State of Florida Legislative Session Tenant shall have the option to terminate this Lease by notice to Landlord effective upon last day of the third Lease Year, provided such termination notice is sent not earlier than the final day of the 2019 Legislative Session and prior to the date thirty (30) days after the final day of the 2019 Legislative Session, and further provided that with Tenant's notice of termination Tenant pays to Landlord any unamortized portion of the Additional Allowance described in Section 2.4. of **Exhibit "D"**. In such event Tenant shall be released from all rent obligations hereunder after the effective date of such termination, and all of the other provisions of this Lease applicable at the originally stated expiration of the Term shall be applicable to such early termination date. Failure to duly and timely exercise such termination option shall automatically be deemed a waiver of Tenant's right to terminate under this Section 3.B. In the event Tenant receives a recurring appropriation approval in the 2017, 2018 or 2019 Legislative Session this Section 3.A. and Tenant's early termination option set forth herein shall automatically become null and void.

SECTION 4 – PERMITTED USE. It is understood that the Premises are to be used solely for the Use set forth in Section 1 and for no other purposes without Landlord's prior written consent, to be given in Landlord's sole discretion, but not to be unreasonably denied. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business in the Premises, Tenant shall, at its expense, duly procure and thereafter maintain such license or permit and shall at all times comply with the terms and conditions of same. Tenant shall not at any time suffer the Premises to be used or occupied (a) in violation of (i) the certificate of occupancy for the Premises or for the Building, (ii) any of the provisions of this Lease, or (iii) zoning ordinances, and rules and regulations of Governmental Authorities having jurisdiction. The Premises shall be used and occupied so as not to contravene any present or future Governmental Requirements, or the requirements of Landlord's or Tenant's insurers, subject to the terms of

Section 56 below. Tenant agrees not to use or permit the use of the Premises for any purpose which is illegal, dangerous to life, limb, or property or which, in Landlord's reasonable opinion, creates a nuisance. Further, and notwithstanding any other provision herein to the contrary, Tenant shall make no use of the Leased Premises which violates or is prohibited by any provision of the Declaration (defined below) or any other restrictive covenant affecting the Premises. During the Term, Tenant shall continuously, actively, and diligently carry on the permitted Use on the majority of the Premises, subject to Section 53 below.

SECTION 5 – FIXED ANNUAL RENT.

A. Subject to Tenant's tax exempt status as set forth in Section 6, Tenant hereby covenants and agrees to pay to Landlord in lawful United States currency, together with any and all applicable sales and use taxes (including, without limitation, sales tax on rents) levied upon Tenant for its the use and occupancy of the Premises as set forth in Section 6, the Fixed Annual Rent specified in Section 1 payable in equal monthly installments in advance, beginning on the Commencement Date, and continuing on the first day of each and every calendar month thereafter during the Term. All forms of Rent (as defined herein) due under this Lease shall be paid to Landlord, without demand, setoff or deduction whatsoever, unless otherwise expressly set forth herein, at the Rent Payment Location specified in Section 1 or at such other place as Landlord shall designate in writing to Tenant. If the Term commences on a day other than the first day of a calendar month or terminates on a day other than the last day of a calendar month, then the installments of Fixed Annual Rent for such month or months shall be prorated on a per diem basis, based on a 365-day year and the number of days in such month.

Promptly after the Commencement Date, the parties shall execute an instrument confirming the Commencement Date and the Expiration Date of the Term hereof, but the failure of any party to do so shall not release any of the parties from any of their obligations hereunder.

B. Any and all sums of money or charges, other than Fixed Annual Rent, required to be paid by Tenant under this Lease, whether or not the same be so designated, shall be considered "**additional rent.**" Landlord shall have the same rights and remedies with respect to additional rent as with respect to Fixed Annual Rent. The term "**Rent**" is hereby defined to mean the Fixed Annual Rent and any additional rent payable by Tenant to Landlord under this Lease.

C. In the event any monthly installments of Fixed Annual Rent and Tenant's Proportionate Share of Operating Costs (as defined herein) and Tenant's Proportionate Share of Taxes (as defined herein and subject to Tenant's tax exempt status as set forth in Section 6) due Landlord hereunder shall not be paid within ten (10) days after the due date thereof, a late charge equal to five percent (5%) of the unpaid installment shall be assessed against the unpaid amount. In the event any Rent other than monthly installments of Fixed Annual Rent and Tenant's Proportionate Share of Operating Costs and Tenant's Proportionate Share of Taxes (subject to Tenant's tax exempt status as set forth in Section 6) due Landlord hereunder shall not be paid within ten (10) days after Tenant's receipt of written notice from Landlord, a late charge equal to five percent (5%) of the unpaid amount shall be assessed against the unpaid amount.

SECTION 6 – SALES AND USE TAX. Tenant is a tax exempt university of the State of Florida, and pursuant to Florida Department of Revenue certificate number 85-8012703010C-9, issued pursuant to Chapter 212, Florida Statutes, is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.

SECTION 7 – REAL ESTATE TAXES AND ASSESSMENTS.

A. The term "**Taxes**" shall mean and include all ad valorem real estate taxes and general and

special assessments (whether foreseen or unforeseen, ordinary or extraordinary, and including, without limitation, non ad valorem assessments), which shall, beginning on the Commencement Date and continuing during the Term, become due and payable with respect to the Project, other than any fine, penalty, cost or interest for any tax or assessment or part thereof which Landlord failed to pay prior to delinquency (except if same are imposed by reason of Tenant's default hereunder). Landlord shall pay, prior to delinquency, all Taxes levied or assessed against the Project. Nothing contained in this Lease shall require Tenant to pay any estate, inheritance, succession, capital levy, corporate franchise, gross receipts, transfer or income tax of Landlord, nor any Taxes for which Tenant is tax exempt, whether or not such Taxes are charged or otherwise assessed to Landlord.

B. Commencing on the Commencement Date, subject to Tenant's tax exempt status as set forth in Section 6, Tenant shall pay to Landlord Tenant's Proportionate Share of the amount of Taxes in monthly installments on the first day of each month, together with Tenant's payment of Fixed Annual Rent, in advance, in an amount estimated by Landlord from time to time. Landlord shall have the right, at any time and from time to time, by written notice to Tenant, to change said estimate. Subsequent to the end of each Lease Year, Landlord shall notify Tenant of Tenant's actual Proportionate Share of Taxes for such Lease Year. If the payment made by Tenant for such year is less than the actual amount due from Tenant, Tenant shall pay to Landlord the difference between the amount paid by Tenant and the actual amount due, within thirty (30) days after receipt of such notice. If the total amount paid by Tenant for such year exceeds the actual amount due from Tenant, such excess shall be credited against the next Rent payment due from Tenant, or if the Lease has terminated and Tenant is not in default, such excess shall be refunded to Tenant within thirty (30) days of Landlord's written notice to Tenant of Tenant's actual Proportionate Share of Taxes as aforesaid. Tenant's Proportionate Share of Taxes for the final Lease Year of the Term shall be due and payable even though it may not be finally calculated until after the Expiration Date, and such obligation shall survive the expiration or earlier termination of the Term.

C. In the event that taxing authorities in the locality in which the Premises are located include or calculate, in Taxes, the value of Tenant's Property, then and in that event Tenant shall provide a copy of its exemption via Florida Department of Revenue certificate number 85-8012703010C-9 to said taxing authorities, and if such taxing authorities do not reduce the Taxes by the amount related to Tenant's Property Tenant shall pay when due all taxes on such items.

D. Tenant shall also pay to Landlord as additional rent, Tenant's Proportionate Share of the reasonable costs and expenses paid or incurred by Landlord during each calendar year of the Term for professional and other services to the extent such contribution, whether direct or indirect, is not prevented by Florida law (including, but not limited to, reasonable fees and expenses of consultants, attorneys, appraisers and experts) in connection with efforts which successfully lowered Taxes or successfully resisted increased Taxes provided, however, in no event shall Tenant's Proportionate Share of such costs and expenses exceed the amount of the savings; and provided further that Tenant is responsible for Tenant's Proportionate Share of the filing fees and other costs involved in a contest of Taxes (other than costs for professional and other services, such as costs of consultants, attorneys, appraisers and experts), regardless of the outcome thereof. Such costs and expenses shall be determined in accordance with generally accepted accounting principles, consistently applied ("GAAP") and allocated to any particular calendar year on the accrual method of accounting. Tenant shall pay Tenant's Proportionate Share, subject to the limitations set forth herein, of such costs and expenses annually within thirty (30) days following receipt by Tenant of a statement therefor, and Tenant's Proportionate Share shall be prorated in the event Tenant is required to make such payment for a partial Lease Year.

E. With respect to any special assessments for Taxes which may be evidenced by improvement or other bonds, or may be paid in installments, only the amount of such installment (with

appropriate proration for any partial calendar year) which become due during the Term shall be included in Tenant's annual pro rata portion of Taxes.

F. Any rebates, refunds or abatements of Taxes received by Landlord subsequent to payment of Taxes by Tenant shall be refunded to Tenant on a pro rata basis within thirty (30) days of receipt thereof by Landlord. Any such rebate, refund or abatement realized by Landlord prior to payment by Tenant shall result in an immediate reduction in Tenant's pro rata portion of the Taxes then due to Landlord.

SECTION 8 – TENANT TO BEAR PROPORTIONATE SHARE OF OPERATING COSTS.

A. For the purpose of this Lease, the term "**Operating Costs**" shall mean the total cost and expense incurred by Landlord in operating, managing, and maintaining and repairing the Project. Operating Costs shall not include costs for services being provided solely for any other tenant and/or systems exclusively serving any other premises. The items and charges comprising Operating Costs shall specifically include, without limitation, gardening and landscaping, the cost of public liability, property damage and other insurance as is customary for similar projects located in Orange County (including, without limitation, the insurance described in Section 26 of this Lease), repairs, line painting, parking lot resurfacing, lighting, electricity, sewer and water allocable to the Common Areas, sign maintenance, music systems, sanitary control, removal of trash, rubbish, garbage and other refuse from the Rentable Areas of the Building and the Common Areas (excluding any bio-hazardous and radiological wastes generated by Tenant or any Sublessee or Client which Tenant must dispose of at Tenant's sole cost and expense and in compliance with all Governmental Requirements), janitorial services for the Common Areas, service and maintenance agreements for the Common Areas and/or for elevators, HVAC for the Common Areas, Building systems serving exclusively the Premises if contracted for by Landlord, assessments under the Declaration to the extent Tenant, as public-body corporate, is not exempt, and the cost of personnel (including a property manager and employees supervised and reporting to such manager, but not including any employees above the grade of property manager nor any executives, principals, partners, investors or related or affiliated parties of Landlord or the property manager and the salary of such personnel shall be equitably apportioned among other portions of the Project and any other properties which such personnel are responsible for) necessary or convenient to implement the services specified in this Lease, with all customary employment and normal retirement benefits incident thereto, including without limitation, pension and medical and life insurance benefits, and security personnel, if such personnel are employed (Tenant acknowledges that Landlord shall not be required to employ security personnel at the Project). Tenant shall also pay to Landlord a customary and reasonable management fee which shall be paid on a monthly basis concurrently with Tenant's payment of Tenant's Proportionate Share of said Operating Costs. Landlord shall have the right with regard to any and all management and maintenance obligations of Landlord under this Lease, to contract with such person(s) or entity or entities for the performance and accomplishment of such of the obligations as Landlord shall deem proper, including entities in which Landlord may hold an ownership or other interest, so long as not in violation of any Governmental Requirements. In all events, Operating Costs are to be at competitive market rates and are not to exceed those which will be payable generally to an "independent contractor," which term is hereby defined as a person or firm having no direct or indirect financial or other business interest in, or relationship with, Landlord or Landlord's management agent or any of their respective principals, agents, servants, employees, stockholders, officers or directors. No Operating Costs shall be commingled with any other property or building or with those of any other person or entity unless such expenses are bona fide expenses which are incurred in connection with the Project and provided such commingling does not result in greater Operating Costs being allocated to Tenant and that Operating Costs applicable to the Project are susceptible to audit. Operating Costs shall not include any capital expenditures, except for the monthly amortization of capital improvements (or the rentals thereof if the item in question is leased rather than purchased) if the capital improvements are (a) intended by Landlord in good faith to achieve a verifiable expense savings to Tenant, provided that the annual amount included in Operating Costs shall not exceed the annual amount of the

savings achieved, or (b) required to comply with Governmental Requirements not in effect on the Commencement Date of this Lease. The monthly amortization of any given capital improvement shall be the sum of the (i) quotient obtained by dividing the cost of the capital improvement by the number of months of useful life of such improvement based on GAAP plus (ii) interest imputed on the unamortized portion at the Stipulated Rate. Notwithstanding anything to the contrary contained in this Lease, Operating Costs shall not include those costs and expenses set forth in Exhibit "C" attached hereto and made a part hereof.

B. Commencing on the Commencement Date, Tenant shall pay Landlord an amount equal to Tenant's Proportionate Share of the Operating Costs for each year as provided hereafter. Moreover, the costs for services being provided solely for Tenant and/or systems exclusively serving the Premises shall be passed-through to Tenant in their entirety and not based on Tenant's Proportionate Share of the Building.

To provide for current payments of Operating Costs, Tenant shall pay to Landlord, as additional rent, during each calendar year an amount equal to Tenant's Proportionate Share of the Operating Costs, as reasonably estimated by Landlord annually. Such payments shall be made in monthly installments together with the Fixed Monthly Rent, commencing on the first day of the month following the month in which Landlord notified Tenant of the amount it is to pay hereunder and continuing until the first day of the month following the month in which Landlord gives Tenant a new notice of estimated Operating Costs.

On or before April 1 of each year, Landlord shall deliver to Tenant a statement (the "**Operating Cost Statement**") certified by Landlord in reasonable detail setting forth the total Operating Costs actually incurred for the preceding calendar year and the method of calculation thereof. If Tenant's Proportionate Share of the actual Operating Costs for the previous year exceeds the total of the estimated monthly payments made by Tenant for such year, Tenant shall pay Landlord the amount of the deficiency within thirty (30) days of Landlord's delivery to Tenant of the Operating Cost Statement. If such total exceeds Tenant's Proportionate Share of the actual Operating Costs for such year, then Landlord shall pay Tenant the amount of the credit within thirty (30) days of Landlord's delivery to Tenant of the Operating Cost Statement. The obligations of Tenant and Landlord to make payment adjustment required under this Section shall survive the termination of this Lease.

Tenant's Proportionate Share of Operating Costs in any year during the Term having less than 365 days shall be appropriately prorated.

C. At reasonable times and on reasonable notice (but not more than one (1) time per year; and provided that no default exists under this Lease beyond applicable notice and cure periods), Tenant, at Tenant's expense, shall have the right, within one hundred eighty (180) days following Landlord's delivery to Tenant of the Operating Cost Statement, to audit all of Landlord's (or Landlord's agent's) records pertaining to the preceding year with a third party certified public accountant of its choice (not to include a contingency fee lease auditor). Prior to Tenant making an election to conduct an audit, upon Tenant's request, Landlord will reasonably cooperate with Tenant in order to review the billing in question and the back-up documentation therefor with Tenant and Tenant's employee or representative, in order to explain any questions Tenant may have prior to Tenant electing to conduct the audit. If Tenant elects to audit, then any overbilling discovered in the course of such audit shall be promptly refunded to Tenant within thirty (30) days of Landlord's receipt of a copy of the audit. Landlord shall retain its records regarding Operating Costs for a preceding year for a period of at least one hundred eighty (180) days following Landlord's delivery to Tenant of the Operating Cost Statement with respect to such preceding year (or longer during the pendency of an audit or dispute). The failure of Tenant to elect to examine Landlord's records pertaining to Operating Costs within said one hundred eighty (180) day period shall be deemed to be a waiver of Tenant with respect to such examination or auditing and the acceptance by Tenant of the annual statement for the particular calendar year to which the annual statement relates. Landlord shall cause such records to be made available for such audit or inspection during weekday Normal Business Hours and at such location

in the continental United States where Landlord regularly keeps its books and records, upon ten (10) Business Days' prior notification to Landlord. Such audit shall be done in accordance with GAAP. If, at the conclusion of such audit, should Landlord disagree with the results of Tenant's audit, then Landlord and Tenant shall refer the matter to a mutually acceptable independent certified public accountant, who shall work in good faith with Landlord and Tenant to resolve the discrepancy. The fees and costs of such independent accountant to which such dispute is referred shall be borne by the unsuccessful party and shall be shared pro rata to the extent each party is unsuccessful as determined by such independent certified public account, whose decision shall be final and binding. With regard to Tenant's initial audit, Tenant, its employees or agents, may make copies thereof at Tenant's expense, but such books and records, any copies thereof, and the results of any such audit are to be kept strictly confidential, to the extent permitted by law, and are not to be made available or published to anyone (except for Tenant's attorneys, accountants, lenders, consultants and advisors who have a need to know such information, all of whom shall be informed in writing by Tenant of the confidential nature of the information), unless required by any Governmental Requirements. Landlord shall pay the cost of Tenant's audit if the total amount of Operating Costs used for the calculation of pass-throughs for the year in question exceeded five (5%) percent or more of the total amount of Operating Costs that should properly have been used.

D. This Lease is a completely "triple net" lease to Landlord, except as otherwise expressly herein stated. Landlord is not responsible for any expenses or outlays of any nature arising from or relating to the Premises, the use or occupancy thereof, the contents thereof, or the business carried on therein, except as otherwise expressly herein stated. Tenant shall pay (or reimburse Landlord for) all charges, impositions, and outlays of every nature and kind relating to the Premises except as expressly herein stated.

SECTION 9 – USE OF COMMON AREAS. The use and occupation by Tenant of the Premises shall include the nonexclusive use, in common with others entitled thereto, of the Common Areas including, without limitation, the elevators, stairways, lobbies, waiting areas and other areas for the nonexclusive use of tenants, and agents, employees, customers and invitees of tenants, within the Building as such Common Areas may hereafter be constructed for the benefit of or as a part of the Building, and other facilities as may be designated from time to time by Landlord, subject, however, to the terms and conditions of this Lease and the reasonable nondiscriminatory rules and regulations for the use thereof as prescribed from time to time by Landlord. Subject to the terms of this Lease, all Common Areas shall at all times be subject to the exclusive control and management of Landlord, and Landlord shall have the full right and authority to employ all personnel and to make all reasonable nondiscriminatory rules and regulations as Landlord may in its reasonable discretion deem proper, pertaining to the proper operation and maintenance of the Common Areas. Landlord shall have the right to temporarily close all or any portion of the Common Areas to such extent as may, in the reasonable opinion of Landlord's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person or the public therein; and to close temporarily any portion thereof in connection with the completion of necessary repairs thereto, and except as otherwise expressly provided herein, Tenant shall not be entitled to any compensation, damages, or diminution or abatement of Rent, nor shall same be deemed a constructive or actual eviction.

SECTION 10 – WASTE OR NUISANCE. Tenant shall not commit or suffer to be committed any waste upon the Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the Project.

SECTION 11 – CONSTRUCTION OF LANDLORD'S WORK. Landlord has previously constructed the Base Building ("**Landlord's Work**") but not the Leasehold Improvements.

SECTION 12 – CONDITION OF PREMISES. Tenant acknowledges that Landlord has made no representations or promises as to the condition of the Premises other than as set forth in this Lease, nor shall Landlord be required to construct any alterations or improvements to the Premises, except as expressly set

forth in this Lease..

SECTION 13 – ALTERATIONS. All Alterations by Tenant must be in accordance with the requirements of this Lease. Tenant may, provided Tenant is in compliance with all applicable provisions of this Section 13, make at its sole cost and expense Alterations which are not Material Alterations without the consent of Landlord, provided that Tenant provides Landlord with prior written notice thereof, and Tenant shall be required to obtain Landlord's prior written consent with regard to Material Alterations, which consent shall not be unreasonably withheld or delayed; provided further, however, that in connection with Material Alterations which would (a) in any way affect the exterior of the Premises, or (b) involve significant structural alterations such as penetration all (or substantially all) the way through a floor slab, or alteration of structural columns or structural steel, or (c) materially adversely affect the Building systems or Landlord's costs to maintain, operate or repair same, then Landlord's consent is in Landlord's sole discretion. Before proceeding with any Material Alteration, Tenant shall submit to Landlord for Landlord's approval, the name of the contractor and plans and specifications for the work to be done and Tenant shall not proceed with such work until it obtains Landlord's approval, as provided above. Tenant, at its expense, shall obtain all necessary governmental permits and certificates for the commencement and prosecution of the Alterations and for final approval thereof upon completion and shall cause the Alterations to be performed in a good and workmanlike manner in accordance with the requirements of all applicable governmental authorities. All Alterations shall be diligently performed in a good and workmanlike manner, using materials and equipment at least equal in quality and class to the original installations of the Premises. All permanently affixed decorations, additions, improvements or other Alterations to the Premises, except for the Tenant's Property, shall, unless Landlord and Tenant agree otherwise in writing, become the property of Landlord upon the expiration of this Lease, and shall be surrendered with the Premises at the expiration of this Lease. Landlord shall have the right to designate at the time of its approval of any request by Tenant for permission to make Material Alterations to the Premises or following receipt by Tenant of notice of other Alterations to be made by Tenant those items for which Landlord reasonably reserves the right to require Tenant to remove upon the expiration of the Term or sooner termination of this Lease. Any such designation shall be in Landlord's reasonable discretion, based upon sound business judgment as to the probable effect of such Alteration upon Landlord's ability to re-let the Premises upon the expiration or sooner termination of the Term of this Lease. If required by Landlord in accordance with the foregoing, any such Alteration to the Premises shall be removed at Tenant's expense upon the expiration or sooner termination of the Term of this Lease and Tenant, at its expense, shall also repair any damage to the Premises caused by such removal and shall restore the affected portions of the Premises to a tenantable whole, reasonable wear and tear, casualty, condemnation and acts of nature excepted. During the review and approval process for Leasehold Improvement Plans pursuant to the Construction Addendum, Landlord may identify specialized Leasehold Improvements which, if constructed, will be required to be removed by Tenant provided that Landlord shall not require the removal of Leasehold Improvements which are customary for comparable first-class multi-tenant office buildings in Orlando, Florida. However, Tenant shall (unless otherwise directed by Landlord) prior to the end of the Term of this Lease and at Tenant's sole cost and expense, remove all lead or other specialty construction materials used in any radiological vaults, exam or treatment rooms in the Premises through consultants appropriately qualified and licensed to remove and dispose of any such materials and such removal and disposal shall be in compliance with all applicable Governmental Requirements.

SECTION 14 – LIENS. Nothing contained in this Lease shall be construed as a consent on the part of Landlord to subject the estate of Landlord to liability under the Construction Lien Law of the State of Florida, it being expressly understood that Landlord's estate shall not be subject to such liability. To the extent required by law, Tenant shall strictly comply with the Construction Lien law of the State of Florida, as set forth in Chapter 713, Florida Statutes. Notwithstanding the foregoing, Tenant, at its expense, shall cause any lien filed against Tenant's or Landlord's interest under this Lease, the Premises, the Building or the Project Common Areas for work, services or materials contracted by Tenant (other than on account of

Landlord's Work or the Leasehold Improvements Work) to be satisfied or transferred to bond within twenty (20) days after Tenant's receipt of written notice of the filing of such lien. In the event that Tenant fails to satisfy or transfer to bond such claim of lien within said twenty (20) day period, Landlord may do so and thereafter charge Tenant as additional rent, all costs incurred by Landlord in connection with the satisfaction or transfer of such claim, excluding attorneys' fees through all levels of appeals plus interest thereon at the Stipulated Rate. In accordance with applicable laws of the State of Florida, Landlord may file in the public records of Orange County, Florida, a public notice containing a true and correct copy of this paragraph, and Tenant hereby agrees to inform all contractors, and material suppliers performing work in or for or supplying materials to the Premises of the existence of said notice.

SECTION 15 – NEGATIVE COVENANTS. Except as required by law or on a temporary basis in connection with repair or restoration work, Landlord agrees not to make any change, alteration or addition to the Project which would have a material and adverse effect on vehicular access to the parking field of the Building or pedestrian access to the Premises.

SECTION 16 – REPAIRS.

A. Subject to the provisions of Sections 17, 18 and 53 hereof, Landlord will maintain, repair and if necessary replace: (a) the roof, structure, columns, exterior walls and exterior windows, foundation, interior load-bearing walls and demising walls and floors, in good state of repair; (b) the elevators, and all Building systems and facilities including, but not limited to, the Base Building electrical, water, gas, sewer, life safety and mechanical supplied to the Premises (but not including the Premises' HVAC system) in good operating condition, maintenance and repair; and (c) the sidewalks, curbs, driveways, parking areas (including periodic parking lot resurfacing and restriping) and landscaping in good condition and repair, open and free of debris or other obstruction, subject to Project construction and repair activities. Landlord will also maintain, repair and if necessary replace, subject to the provisions of Sections 17, 18 and 53 hereof, the public portions of the Building and Common Areas in clean, sightly, good operating condition and repair as well as any Building systems which penetrate into or pass through the Premises or upon which the Premises are dependent, including bathrooms. All repairs, replacements and restorations made by Landlord shall be equal in quality and class to the originals thereof and shall be completed in compliance with applicable law. Landlord covenants that any repairs or replacements (as the case may be) required by the terms of this Lease to be made by Landlord shall be commenced and completed expeditiously. All repair, resurfacing and replacement obligations of Landlord hereunder with respect to the Project, except as expressly set forth in Exhibit "C" hereto, shall be deemed a component of Operating Costs.

B. Tenant shall not suffer any damage, waste or deterioration to occur to the Premises and shall, at Tenant's expense, maintain the interior non-structural portions of the Premises and the fixtures and appurtenances therein, Tenant's HVAC system serving the Premises, and Tenant's Property, in good and sightly condition, and shall make all reasonable repairs necessary to keep them in good working order and condition (including structural repairs when those are necessitated by the negligence or willful misconduct of Tenant or its agents, employees or invitees) reasonable wear and tear and acts of nature excepted, and subject to the provisions of Sections 17, 18, and 53 hereof. All repairs, replacements and restorations made by Tenant shall be equal in quality and class to the originals thereof and shall be completed in compliance with applicable law. Tenant covenants that any repairs or replacements (as the case may be) required by the terms of this Lease to be made by Tenant shall be commenced and completed expeditiously. The exterior walls of the Building, the windows and the portions of all window sills outside same are not part of the Premises and Landlord hereby reserves all rights to and responsibility for maintaining such parts of the Building (subject to the terms and provisions of this Lease).

C. Landlord agrees that it shall during the Term of this Lease, maintain the Building, the Common Areas and the Project in a safe, good, clean and sightly first-class condition, subject to delay

permitted by Section 53 hereof. Landlord shall be responsible for remedying or repairing any work performed by Landlord at the Premises or the Project to the extent such work was not constructed by Landlord in accordance with all applicable Governmental Requirements in effect as of the date of Substantial Completion.

D. Landlord covenants and agrees to keep, maintain, alter and replace, if necessary, all Common Areas (including, without limitation, access to the Building and Premises) and structural components of the Building so as to maintain compliance of same with the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq., as amended from time to time, and all rules and regulations promulgated to further the purpose of and to enforce the Act (collectively, the "ADA"), as well as compliant with all applicable fire and life safety laws. The cost of maintaining ADA compliance in the Common Areas with laws effective prior to the Commencement Date shall be at Landlord's expense without reimbursement or contribution by Tenant, and the cost of maintaining ADA compliance in the Common Areas with laws that become effective following the Commencement Date (and supplements or interpretations that become effective following the Commencement Date of laws which were in existence prior to the Commencement Date) or with respect to elements of Common Areas that did not exist prior to the Commencement Date but do exist following the Commencement Date, shall be included as an Operating Cost on an amortized basis based on the useful life of any such capital expenditure. Tenant covenants and agrees, at its expense, to maintain the interior of the Premises in compliance with the ADA.

SECTION 17 – EMINENT DOMAIN.

A. If, after the Effective Date: (i) any portion of the Premises in excess of ten percent (10%) of the Rentable Area of the Premises is taken by eminent domain or conveyed in lieu thereof; or (ii) as a result of a taking by eminent domain or the action of any public or quasi-public authority or a conveyance in lieu thereof, the means of vehicular ingress or egress to and from the Building parking field is permanently materially impaired; then, in any of the foregoing events, the Term shall, at the option of Tenant, cease and terminate as of the day possession shall be taken by the acting governmental or quasi-Governmental Authority (the "**Date of Taking**"). Such option to terminate shall be exercisable by Tenant giving written notice to Landlord on or before thirty (30) days prior to the Date of Taking, which notice shall provide for a termination date (the "**Termination Date**") not later than ninety (90) days after the Date of Taking and Tenant shall pay Rent up to the Termination Date, and Landlord shall refund such Fixed Annual Rent and other payments as shall have been paid in advance and which cover a period subsequent to the Termination Date. In the event Tenant does not terminate this Lease, Landlord shall promptly and diligently restore the Building and the Premises and the Common Areas to as near to their condition prior to such taking or conveyance as is reasonably possible; provided, however, that Landlord is not required to expend more than the net condemnation proceeds received as a result of the taking; and provided further that if Landlord notifies Tenant that the net condemnation proceeds will not be sufficient to restore the Building and the Premises and the Common Areas to as near to their condition prior to such taking or conveyance as is reasonably possible, and Tenant does not elect to pay for the shortfall from Tenant's separate funds, then Tenant may elect to terminate the Lease by written notice to Landlord on or before thirty (30) days after Landlord so notifies Tenant. During the course of such restoration, there shall be a fair and equitable abatement of all Fixed Annual Rent and other charges, taking into account the extent to which Tenant shall be required to close down all or a portion of its operations until restoration has been completed; and, after such restoration, there shall be fair and equitable abatement of Fixed Annual Rent and other charges on a permanent basis, in proportion to the reduction in the size of the Premises. If twenty percent (20%) or more of the Rentable Area in the Building is taken by eminent domain or conveyed in lieu thereof, or the means of vehicular ingress or egress to and from the Project parking field is permanently materially impaired, then Landlord shall have the right to terminate this Lease by giving written notice to Tenant on or before thirty (30) days after the Date of Taking; provided that Landlord also terminates all leases for similarly affected premises within the Building, if any.

B. If any portion of the Premises shall be so taken or conveyed and this Lease is not terminated, then the Term shall cease only with respect to that portion of the Premises so taken or conveyed, as of the Date of Taking, and Tenant shall pay Fixed Annual Rent and all other payments up to that day, with an appropriate refund by Landlord of such Rent as may have been paid in advance for a period subsequent to the Date of Taking and, thereafter, the Fixed Annual Rent and all other payments shall be equitably adjusted in proportion to the reduction in the size of the Premises. Landlord shall, at its expense, make all necessary repairs or alterations so as to constitute the remaining portion of the Premises a complete architectural unit (subject to the provisions of subsection A, above).

C. Tenant shall have the right to make any claims allowed by the laws of the State of Florida against the condemning authority, provided that Tenant's award is separate from, and does not diminish or impair, Landlord's award or the award of any mortgagee (including, without limitation, that Tenant may not make any claim for leasehold value that would adversely affect Landlord's award or the award of any mortgagee). In the event that the laws of the State of Florida permit Tenant to make a separate claim for damages against the condemning authority, then, and in such event occurring, Tenant shall not have the right to share in any separate award granted to Landlord if Tenant's claims are granted.

SECTION 18 – DAMAGE AND DESTRUCTION.

A. If during the Term hereof the Premises shall be partially or substantially damaged or destroyed by fire or other casualty (including flood and other water damage) this Lease shall, except as hereinafter provided, remain in full force and effect, and Landlord shall, proceeding with all reasonable dispatch, repair such damage and restore the Premises to substantially their condition at the time of such damage or destruction, but only to the extent of Landlord's original obligation to construct pursuant hereto excluding the Leasehold Improvements, and only to the extent that insurance proceeds (excluding proceeds of business or rental interruption insurance) are available to Landlord in connection with the casualty event after deduction of the reasonable costs of settlement and collection of Landlord. Tenant, at its sole cost and expense, shall fully repair and restore the Leasehold Improvements.

B. However, if the Premises shall be substantially damaged or destroyed by fire, windstorm, or casualty otherwise, (i) within the last twelve (12) months of the Term, and the cost of reconstruction or repair exceeds ten percent (10%) of the replacement cost of the Building, then either party shall have the right to terminate this Lease. Landlord shall notify Tenant of Landlord's good faith estimate of the cost of the reconstruction or repair, and the estimated replacement cost of the Building and estimated time to reconstruct or repair, within sixty (60) days after the date of the damage or destruction ("**Landlord's Repair Estimate**"), and if the termination rights are activated, then either party must elect to terminate by notice thereof given to the other party not later than ten (10) Business Days after Tenant is provided with Landlord's Repair Estimate.

C. If the provisions of Section 18 A shall become applicable, the Fixed Annual Rent and all other charges specified in this Lease shall be abated or equitably reduced proportionately during any period in which, by reason of such damage or destruction, there is material interference with the operation of the business of Tenant in the Premises, having due regard to the extent to which Tenant may be required to discontinue its business in any portion of the Premises, and such abatement or equitable reduction shall continue for the period commencing with such destruction or damage and ending with: (i) the completion by Landlord of such work of repair and/or restoration as Landlord is obligated to do; and (ii) the expiration of a reasonable period of time thereafter to enable Tenant to restore Tenant's Property and reopen for business (which restoration Tenant agrees to do diligently and expeditiously), but said period of time shall be deemed to have ended if Tenant shall reopen for business prior to the expiration thereof. In the event of the termination of this Lease pursuant to this Section 18, this Lease, and the Term hereof, shall cease and come to an end as of the date of such damage or destruction. Any Fixed Annual Rent or other charges paid

in advance by Tenant shall be promptly refunded by Landlord.

D. If any portion of the Building or the Common Areas is either partially or substantially damaged, except as otherwise provided in this Section 18, Landlord shall proceed promptly to rebuild the same (but only to the extent of Landlord's original obligation to construct pursuant hereto excluding the Leasehold Improvements,; and although the preceding phrase is agreed to by the parties, the parties recognize that Landlord will be maintaining full replacement cost insurance). During any period of time that by reason of such damage or destruction there is any material interference with vehicular or pedestrian access to the Building or the Premises, there shall be a fair and equitable abatement of the Fixed Annual Rent, and other charges payable hereunder, taking into account the extent to which Tenant's operations may thereby be materially interfered with; and, if it is impracticable for Tenant to remain open for business and Tenant closes down until such damage or destruction has been repaired, there shall be a full abatement of Fixed Annual Rent and all other charges payable hereunder until Landlord's completion of the restoration work.

E. Notwithstanding anything to the contrary herein contained, if Landlord's Repair Estimate states that such restoration cannot be completed by Landlord within two (2) years from the date of the casualty, then Tenant shall have the right to terminate this Lease by giving written notice of its election to do so to Landlord within ten (10) Business Days after Tenant is provided with Landlord's Repair Estimate. In addition, if this Lease is not terminated pursuant to any termination rights granted hereunder in the event of a casualty, and if Landlord shall not commence, in good faith, repair and restoration work within sixty (60) days after receipt of all required permits to perform the work which Landlord is required to repair pursuant to the terms hereof (subject to extension for the time required to prepare plans for reconstruction, to obtain building permits, to receive distribution of insurance proceeds, and to complete the likely contract bidding process and all other relevant factors, but not to exceed an additional sixty (60) days), then Tenant shall have the right to terminate this Lease by giving written notice of its election to do so to Landlord within ten (10) Business Days after the expiration of such one hundred eighty (180) days (as the same may be extended as set forth herein), unless Landlord so commences within thirty (30) days after Tenant's termination notice, in which event Tenant's termination notice shall be deemed to be void and this Lease shall continue in full force and effect. Moreover, if Landlord shall fail with all due diligence to continue with such repair and restoration work to completion within the time frame set forth in Landlord's Repair Estimate, then Tenant shall have the right to terminate this Lease by giving written notice of its election to do so to Landlord within ten (10) Business Days after the expiration of the time frame set forth in Landlord's Repair Estimate, unless Landlord completes its work within sixty (60) days after Tenant's termination notice, in which event Tenant's termination notice shall be deemed to be void and this Lease shall continue in full force and effect.

F. In addition to any termination rights set forth herein in favor of Landlord, if, within the last twenty four (24) months of the Term, the Building has been damaged or destroyed by fire or other casualty and Landlord's Repair Estimate states that such restoration cannot be completed by Landlord within one (1) year from the date of the casualty or prior to the date one (1) year before the end of the Term, then Landlord shall have the right to terminate this Lease provided that notice thereof is given to Tenant not later than ten (10) Business Days after Tenant is provided with Landlord's Repair Estimate and Landlord elects not to restore the Building and terminates all other leases for space in the Building.

G. If Landlord notifies Tenant that (i) the insurance proceeds available for the restoration of the Building will not be sufficient to restore the Premises to substantially their condition at the time of such damage or destruction (whether due to settlement with the insurer of any disputed coverage or otherwise), and (ii) Landlord will not pay or finance the shortfall in proceeds in order to so restore, then Tenant shall either (A) unconditionally agree in writing to pay the shortfall (which shortfall shall be paid within thirty (30) days after issuance of the building permit for the restoration), or (B) elect to terminate this Lease.

Tenant shall notify Landlord of its decision not later than thirty (30) days after Tenant's receipt of such notice from Landlord, failing which Tenant shall be deemed to have elected to terminate this Lease. If Tenant elects to pay the shortfall, then, to the extent permitted by law, Tenant shall deposit the funds with the entity that will be disbursing the overall available insurance proceeds pursuant to Landlord's mortgage (or if there is no mortgage, then with a nationally recognized title company or other escrow agent reasonably approved by Landlord), to be held in an interest-bearing account. Landlord may access the funds in such account after the available insurance proceeds for the restoration have been depleted and only upon Tenant's written approval by Tenant's authorized official of Landlord's restoration plans, contractor, and all restoration budget, such approval to not be unreasonably withheld, conditioned or delayed. The shortfall proceeds shall be disbursed consistent with the requirements for construction disbursements as contained in Landlord's mortgage (or if there is no mortgage then consistent with the customary requirements for construction disbursements in the industry). Interest earned on the shortfall proceeds shall be for Tenant's benefit.

H. Without limitation, the deadlines for performance set forth in this Section are subject to extension pursuant to Section 53 below.

SECTION 19 – QUIET ENJOYMENT. Landlord covenants and agrees that, upon Tenant's paying on a monthly installment basis the Fixed Annual Rent and any additional rent required hereunder and performing all of the other covenants herein on its part to be performed, Tenant shall and may peaceably and quietly hold and enjoy the Premises without hindrance by Landlord or persons claiming through or under Landlord (including, without limitation, any mortgagee of Landlord), subject to the terms, covenants and conditions of this Lease.

SECTION 20 – RIGHT OF ENTRY. Landlord's right of entry set forth in this Section 20 shall be subject to applicable federal security restriction obligations of Tenant, if any, relative to any portion of the Premises. Upon reasonable prior notice, Landlord and Landlord's agents shall have the right during Normal Business Hours (and at all times in the case of emergency) to enter the Premises, to examine the same, and to show them to prospective purchasers or lenders of the Building. Upon reasonable prior notice (except in the case of an emergency), Landlord and Landlord's agents shall have the right during or outside of Normal Business Hours to enter the Premises to make such repairs, alterations, improvements or additions as required under this Lease or as Landlord may reasonably deem necessary or desirable, and upon reasonable prior notice and reasonable coordination with Tenant, Landlord shall be allowed to take all material into and upon the Premises that may be required therefore without the same constituting an eviction of Tenant in whole or in part, and the Rent reserved shall not abate while said repairs, alterations, improvements, or additions are being made unless Tenant is prevented from operating in the Premises, in which event Fixed Annual Rent and all other charges shall be proportionately abated during said period. Upon reasonable prior notice, during the six (6) months prior to the expiration of the Term of this Lease, Landlord may during Normal Business exhibit the Premises to prospective tenants. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility or liability whatsoever, for the care, maintenance or repair of the Premises or the Building or any part thereof, except as otherwise herein specifically provided.

SECTION 21 – SERVICES. Landlord covenants that it will furnish to the Premises and Building the following services on all days during the Term:

- A. Water to the floor in which the Premises is located, including all Tenant laboratories.
- B. Fluorescent, incandescent and other bulb replacement in the Common Areas and service areas of the Building.

C. Janitorial services for the Building exterior and Common Areas, Monday through Friday, exclusive of normal business holidays. Tenant, at Tenant's expense, shall provide janitorial services for the Premises with persons or firms engaged by Tenant and the entry for such cleaning personnel entering the Building shall be coordinated with Landlord. Tenant, at its expense, shall be responsible for the replacement of light bulbs and ballasts within the Premises.

D. Security in the form of limited access to the Building during times outside of Normal Business Hours. Landlord shall not be required to supply security personnel to the Project. Tenant shall have access to the Premises twenty four (24) hours per day, three hundred sixty five (365) days per year, subject to reasonable security measures and except for emergency events which cause Landlord to limit access to Tenant.

Tenant (at its expense) may supply security services for the interior of the Premises, subject to specifications to be mutually agreed upon by Landlord and Tenant.

E. Landlord shall make provisions for electricity as set forth in the Base Building Plans described in the Construction Addendum, and as reasonably required for wet laboratories. The electric panels and meters to meet this requirement shall be provided as part of the Leasehold Improvements. Tenant shall pay directly to the local electric utility or to Landlord, the costs for all electric service rendered or furnished to the Premises during the Term, which service shall be separately metered or sub metered into the Premises by Landlord at Landlord's sole expense as part of the Landlord's Work.

F. Trash removal from the Building dumpsters. (Tenant is responsible for trash removal from the Premises to the Building dumpsters.)

G. Electrical lighting service for the Common Areas.

H. Waste water and sewer services, including those necessary for Tenant wet laboratories and restroom, and including City of Orlando approved water discharge monitor. If an Industrial User Discharge Permit (IUDP) is required by the City of Orlando, Landlord will include an easy method of sampling and a dedicated test point so that Tenant's sampling is not comingled with other tenants, and the cost thereof shall be included in the costs of the Leasehold Improvements Work.

I. Roof area and penthouse for location of Tenant's HVAC facilities. (Tenant shall provide and maintain its own HVAC equipment to serve the Premises as a part of the Leasehold Improvements.)

Except as provided below, Landlord's failure to furnish, or the interruption or termination of, the services described in this Section in whole or in part resulting from causes beyond the reasonable control of Landlord, its agents, or employees, shall not render Landlord liable in any respect, shall not be construed as an eviction of Tenant, nor entitle Tenant to any abatement of any Rent under this Lease; provided, however, that Landlord shall use its commercially reasonable efforts diligently and continuously to restore such service in the least amount of time. Any provision to the contrary notwithstanding but subject to the provisions of Sections 17, 18 and 53 hereof, if Landlord fails to provide in any material respect any services to be provided by Landlord pursuant to this Section for a period of three (3) consecutive Business Days after written notice to Landlord by Tenant of the interruption thereof, and if such failure materially and adversely affects Tenant's use and occupancy of the Premises such that Tenant is unable to conduct its normal business operation in the Premises, and provided the correction of the problem is within Landlord's reasonable control, then Tenant shall be entitled to an equitable abatement of Rent for the period during which the above-described situation exists, and Tenant shall be entitled to undertake reasonable efforts and obtain necessary replacement services to facilitate Tenant's continuation or return to normal business operation.

Landlord shall provide its required services in accordance with first-class office buildings in Orlando, Florida. Tenant's janitorial and any other services to the Premises shall be performed in accordance with such services provided in first-class office buildings in Orlando, Florida.

SECTION 22 – SECURITY DEPOSIT. No Security Deposit is required under this Lease.

SECTION 23 – ASSIGNMENT AND SUBLETTING.

A. Tenant may assign, sublease, transfer, or encumber this Lease or any interest therein or grant any license, concession, or other right of occupancy of any portion of the Premises only with Landlord's prior written consent, which shall be given in Landlord's sole discretion. However, Tenant may without Landlord's further consent enter into subleases for a defined and limited portion of the Premises to enrolled clients in Tenant's incubation program ("**Clients**") which comply with the requirements set forth on **Exhibit "H"** attached hereto (the "**Client Sublease Standards**"). Tenant will provide Landlord a roster of enrolled Clients in Tenant's incubation program and copies of all Client subleases in effect upon request of Landlord from time to time. Any attempted assignment or sublease by Tenant in violation of the terms and covenants of this Section 23 shall be void ab initio. If Tenant is a corporation or a partnership, the conveyance of a direct or indirect, by operation of law or otherwise, controlling interest in the corporate stock or the assignment of a controlling partnership interest, as the case may be, shall be deemed an assignment for the purposes hereof. Tenant may, however, assign its interest in this Lease to any entity (i) which acquires all of the assets of the original Tenant under this Lease, (ii) into which the original Tenant is merged, (iii) which owns and controls Tenant, or (iv) which is owned and controlled by Tenant. The original Tenant shall remain obligated under this Lease after any assignment permitted by the immediately preceding sentence. Irrespective of any valid sublease issued by Tenant, all obligations of Tenant under this Lease shall nevertheless remain the obligations of Tenant hereunder, and Tenant shall remain, relative to Landlord, the responsible party for satisfaction of such obligations.

B. Any approved or permitted transfer shall be expressly subject to the terms and conditions of this Lease. In the event of an assignment or subletting approved under this Lease, except as expressly provided herein Tenant shall remain fully responsible and liable for the payment of Rent and for compliance with all of Tenant's other obligations under this Lease. Tenant agrees to promptly provide Landlord with such reasonable information regarding such proposed assignee or Subtenant as is requested by Landlord, as well as with plans and specifications regarding any proposed alterations of the Premises which will be required in connection with such assignment or subletting. In no event shall any sublease or assignment be made or allowed which would (x) in any way violate any exclusive use provisions granted to or any prohibitions of certain uses agreed to by Landlord with any other tenants or occupants of the Building; or (y) in Landlord's judgment, cause physical harm to the Building or harm to the reputation of the Building which would result in an impairment of Landlord's ability to lease space in the Building or a diminution in the rental value of space in the Building. Any assignment or sublease shall comply with all applicable Governmental Requirements. If Landlord consents to any assignment or subletting, with the exception of subleases for a defined and limited subportion of the Premises to enrolled Clients in Tenant's incubation program such successor/Subtenant shall assume in writing, in a form reasonably satisfactory to Landlord, all of Tenant's obligations hereunder. Consent by Landlord to any one or more assignments or sublettings shall not be a waiver of Landlord's rights as to any subsequent assignments or sublettings. Except as necessary for the routine operation of the Tenant's incubation program, Tenant shall not publicly advertise the rate for which Tenant is willing to sublet the Premises and all public advertisements of the assignment of the Lease or sublet of the Premises, or any portion thereof, shall be subject to prior approval in writing by Landlord.

C. If Tenant requests Landlord's consent to an assignment of the Lease or subletting of all or part of the Premises (other than subleases of a portion of the Premises to Clients), Landlord shall either: (i)

approve or disapprove such sublease or assignment (but no approval of an assignment or sublease shall relieve Tenant of any liability hereunder); (ii) at the request of Tenant, negotiate directly with the proposed Subtenant or assignee and, in the event Landlord is able to reach agreement with such proposed Tenant, upon execution of a lease with such tenant, terminate this Lease (in part or in whole, as appropriate) upon thirty (30) days' notice; or (iii) if Landlord should fail to notify Tenant in writing of its decision within a thirty (30) day period after Landlord is notified in writing of the proposed assignment or sublease, Landlord shall be deemed to have refused to consent to such assignment or subleasing, and to have elected to keep this Lease in full force and effect.

SECTION 24 – DEFAULT.

A. Tenant's Default. (i) If Tenant shall default in the payment of the Fixed Annual Rent, any additional rent or any other sums payable by Tenant herein when due, and such default shall continue for a period of ten (10) days after Tenant's receipt of written notice (but the foregoing shall not be deemed to amend or modify Section 5C or Section 48 regarding Landlord's right to assess late charges and/or interest as provided therein), or (ii) if Tenant shall fail to maintain the insurance coverages required to be maintained by Tenant pursuant to Section 26 of this Lease and said failure shall continue for more than ten (10) Business Days after Tenant's receipt of written notice thereof, or (iii) if Tenant shall default in the performance of any nonmonetary covenant or agreement of this Lease (except as described in subsection (ii) hereinabove) and said default shall continue for more than thirty (30) days after Tenant's receipt of written notice thereof, or in the event that the default is of such a nature as cannot with diligent effort be cured within said thirty (30) day period, if Tenant shall not commence to cure within said period and diligently prosecute remedial efforts to completion within a reasonable time thereafter, or (iv) if Tenant should become bankrupt or insolvent or any debtor proceedings be taken by or against Tenant (provided, if same shall be involuntary on the part of Tenant, the event in question shall not be deemed a default within the meaning of this Lease if dismissed or vacated by Tenant within sixty (60) days of the filing thereof), or (v) if Tenant shall assign this Lease in whole or in part or sublet all or any portion of the Premises in violation of Section 23 hereof and the transaction that violates Section 23 is not rescinded and made void ab initio within five (5) Business Days after Tenant's receipt of written notice thereof, then and in addition to any and all other legal remedies and rights available to Landlord at law or in equity, Landlord may immediately or at any time thereafter enter into and upon the Premises or any part thereof and repossess the same as of its former estate, and expel Tenant, and those claiming through or under it, and remove its or their effects without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of Rent or preceding breach of covenant Tenant covenants and agrees, notwithstanding any entry or reentry by Landlord, whether by summary proceedings, termination of this Lease except as specified in Section 3 B. or unless Landlord has expressly elected in writing to terminate this Lease for Landlord's account), termination of Tenant's right to possession (without terminating this Lease), or otherwise, to pay and be liable for on the days originally fixed herein for the payment thereof, amounts equal to the several installments of Rent and other charges reserved as they would, under the terms of this Lease, become due if this Lease and/or Tenant's right to possession had not been terminated, or if Landlord had not entered or reentered as aforesaid, and whether the Premises be relet or remain vacant, in whole or in part, or for the remainder of the Term or a period less than the remainder of the Term; but in the event the Premises is relet by Landlord, Tenant shall be entitled to a credit against its Rent obligations hereunder in the amount of the rents and other sums received by Landlord from any such reletting of the Premises less any reasonable costs incurred by Landlord (not previously reimbursed by Tenant) in connection with the repossessing of the Premises, including, without limitation, brokerage commissions and any costs of repairs or alterations. Landlord shall not, in any event, be required to pay Tenant any surplus of any sums received by Landlord on a reletting of said Premises in excess of the Rent provided in this Lease. In no event shall Tenant's obligations hereunder exceed the amount of any such obligation that would have existed if the Premises had remained vacant and had not been relet, but the foregoing does not waive Landlord's right to damages arising out of Tenant's default. In the event of

termination of Tenant's right of possession to the Premises by Landlord as aforesaid, Landlord shall use reasonable efforts to relet the Premises at a fair market rental or as near thereto as is then possible under all circumstances then existing so as to mitigate the damages suffered by Landlord and payable by Tenant, provided that nothing herein shall be deemed to limit or impair Landlord's rights to (a) grant to any such tenant concessions of rent as may be commercially reasonable and Landlord may deem advisable in its sole and absolute discretion, (b) agree to paint or make any special repairs, alterations and decorations for any such tenant as it may deem advisable in its sole and absolute discretion, or (c) relet all or any portion of the Premises for a term which may be greater or lesser than the unexpired Term, as Landlord may deem advisable in its sole and absolute discretion.

B. If any event of default (after expiration of applicable notice and grace periods) occurs, and in addition, after expiration of a forty-five (45) day cure period beginning upon the date of certified mail receipt of a notice of intent to accelerate by Tenant's General Counsel, delivered to the address stated in Section 1, Article 20 (which forty-five (45) day period shall commence upon the date of Landlord's first notice to Tenant of such event of default), and upon Tenant's failure to cure, Landlord, in addition to other rights and remedies it may have, shall have the right to accelerate the Rent hereunder for what would have been the following remaining period of the Term (had the Lease and/or Tenant's right to possession not been terminated) and Tenant shall pay Landlord damages in the amount of any and all sums which would have been due for such following year, reduced to present value based on a discount rate equal to the per annum yield for United States Treasury securities issued on the date of the default and maturing on the date closest to the original ending date of the Term. Payment of such accelerated Rent shall be paid by Tenant within ten (10) Business Days after written demand by Landlord. Landlord and Tenant agree that they will endeavor to settle any claim for any and all sums arising out of or relating to this Lease, which they are unable to settle through direct negotiations, by non-binding mediation before resorting to litigation, or other dispute resolution procedure. The mediator shall be selected by mutual agreement of the parties and the mediation location shall be in Orange County, Florida. The mediation procedure shall be determined by the Mediator in consultation with the parties utilizing the American Arbitration Associate Rules. The parties shall bear their own costs of mediation except that the fees and expenses of the Mediator shall be shared equally by the parties. The parties further agree that their respective good faith participation in mediation is a condition precedent to pursuing any other available remedies, at law or in equity.

C. If any event of default (after expiration of applicable notice and grace periods) occurs, Landlord, in addition to other rights and remedies it may have, shall have the right to remove all or any part of Tenant's property from the Premises and any property removed, with reasonable care, may be stored in any public warehouse or elsewhere at the cost of, and for the account of Tenant, and provided Landlord uses reasonable care Landlord shall not be responsible for the care or safekeeping thereof whether in transport, storage or otherwise, and Tenant hereby waives any and all claim against Landlord for loss, destruction and/or damage or injury which may be occasioned by any of the aforesaid acts, except to the extent caused by the gross negligence (whether active or passive) or willful misconduct of Landlord, its agents or employees. Landlord shall make a good faith effort to communicate with Tenant prior to any such removal in order to obtain recommendations from Tenant regarding the appropriate manner of any such removal and storage considering the type of items to be so relocated.

D. Reentry or taking possession of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. Notwithstanding any such reletting without termination, Landlord may at all times thereafter elect to terminate this Lease for such previous default. Any such reentry shall be allowed by Tenant without hindrance, and Landlord shall not be liable in damages for any such reentry, or guilty of trespass or forcible entry.

E. In the event of a breach or threatened breach of any covenant of this Lease by the other,

Landlord and Tenant shall each have the right to apply for an injunction.

F. If Tenant shall default in the performance of any provision of this Lease on Tenant's part to be performed, Landlord may, after the expiration of applicable notice and cure periods, perform the same for the account of Tenant and Tenant shall promptly reimburse Landlord for any reasonable expense incurred therefor plus interest thereon at the Stipulated Rate, which expenses shall be deemed to be additional rent.

Upon any event of default (after expiration of applicable notice and grace periods) by Tenant, Tenant, shall be liable to Landlord for the expenses to which Landlord may be put in reentering the Premises; repossessing the Premises; painting, altering, or dividing the Premises; combining the Premises with an adjacent space for any new tenant; putting the Premises in proper repair; reletting the Premises (including marshal's fees, and brokerage fees, in so doing); and any other expenses reasonably incurred by Landlord.

G. The rights and remedies of Landlord and Tenant set forth herein shall be in addition to any other right and remedy now and hereinafter provided by law and in equity. All rights and remedies shall be cumulative and non-exclusive of each other. No delay or omission by Landlord or Tenant in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiescence to, a default.

H. Landlord's Default. If Landlord shall violate, neglect or fail to perform or observe any of the representations, covenants, provisions, or conditions contained in this Lease on its part to be performed or observed, which default continues for a period of more than thirty (30) days after receipt of written notice from Tenant specifying such default (ten (10) days after notice in the case of a monetary default), or if such default is of a nature to require more than thirty (30) days for remedy and continues beyond the time reasonably necessary to cure (provided Landlord must have undertaken procedures to cure the default within such thirty (30) day period and thereafter diligently pursues such efforts to cure to completion within a reasonable time thereafter), Tenant may, at its option, incur any reasonable expense necessary to perform the obligation of Landlord specified in such notice and bill Landlord for the costs thereof. However, Tenant may only perform such curative efforts within the Premises, and may not perform any such cures elsewhere in the Building or in the Project unless necessary for Tenant to continue normal business operations.

SECTION 25 – LEGAL EXPENSES. Intentionally Deleted.

SECTION 26 – INSURANCE.

1. Tenant hereby assumes responsibility for the condition of the Premises subsequent to Commencement Date, and agrees to give Landlord written notice in the event of any damage, defect or disrepair therein. Tenant shall be responsible for the safety and security of Tenant's employees upon or about the Premises. Tenant, as a material part of the consideration to Landlord hereby assumes all risk of damage to property or injury to person in, upon or about the Premises, except to any extent arising from Landlord's negligence or willful misconduct. Tenant shall give prompt notice to Landlord in case of casualty or accidents in the Premises.

2. Tenant shall, throughout the Term, at its sole cost and expense, provide and keep in force, with (i) responsible insurance companies reasonably acceptable to Landlord or (ii) the State of Florida, in respect to this Lease and the Premises: (a) comprehensive general public liability insurance with limits for property damage claims and personal injury or death consistent with the amount provided to Tenant by the State of Florida Department of Risk Management or under the University of Central Florida self-insurance program; and (b) casualty insurance (special form) covering all of the Leasehold Improvements and insuring Tenant against loss or damage to its equipment and other personal property in the Premises by fire

and all other casualties in an amount equal to their full replacement value. In addition, Tenant shall carry insurance coverage in type reasonably acceptable to Landlord and in amounts at least as high as required above for the commercial general liability and property damage coverage, to protect Landlord and Tenant from any claims for personal injury, death or property damage that may result from Tenant's use and operation of any imaging or other equipment that utilizes radioactive materials within the Premises. Tenant shall furnish Landlord with proof of all such insurance at least annually and upon demand of Landlord. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace Tenant's Work, Leasehold Improvements and betterments made by Tenant, the personal property, trade fixtures and equipment so insured.

3. The coverage of insurance required to be maintained by Tenant hereunder shall be through the State of Florida and Tenant agrees to deliver to Landlord a certificate of such coverage upon request.

4. Tenant at its expense shall comply with all requirements of the Board of Fire Underwriters, or any other similar body affecting the use of the Premises, and shall not use the Premises in a manner which shall increase the rate of fire insurance or other insurance of Landlord or of any other tenant, over that in effect as of the Commencement Date of this Lease. If Tenant's use of the Premises increases the fire insurance rate or results in other increases in insurance coverage related to the Building, Tenant shall reimburse Landlord for all such increased costs (provided that such reimbursement shall be equitably apportioned to the extent uses by other tenants in the Building are also responsible for such increases).

5. Landlord shall, at its expense (as part of the Operating Costs), at all times during the Term hereof, maintain or cause to be maintained in effect coverage under a policy or policies of special form property insurance covering the Building (excluding the Leasehold Improvements), in an amount not less than Landlord's good faith estimate of one hundred percent (100%) of the full replacement value (exclusive of the costs of excavations, foundations and footings) from time to time during the Term of this Lease, together with rent loss insurance and insurance against sprinkler damage, vandalism, malicious mischief and flood (if located within a designated flood zone). Such property insurance may also include loss of rent insurance for all or part of the Building in amounts and with property insurance deductibles in the amount of the greater of (i) Two Hundred Fifty Thousand Dollars (\$250,000.00) and (ii) such deductible as Landlord may determine in its good faith discretion based on deductibles that would be carried by an institutional owner of a comparable office building in Orlando, Florida (and recognizing that portions of the property insurance may have higher deductibles, such as windstorm coverage).

6. Landlord shall, at its expense (as part of the Operating Costs), at all times during the Term hereof, carry commercial general public liability and property damage insurance against claims for injury to persons and property occurring in the Common Areas, naming Tenant as an additional insured, such insurance to be in the combined single limit of not less than Five Million Dollars (\$5,000,000.00).

7. Notwithstanding anything to the contrary contained with this Section 26, either party's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by such party; provided, however, that the coverage afforded Landlord and Tenant will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that the requirements set forth herein are otherwise satisfied (including, without limitation, that Tenant shall provide Landlord with reasonably satisfactory evidence that (i) Landlord and its property management company (if any) are an additional insured under such blanket policy with respect to commercial liability insurance, (ii) such blanket policy (or the Certificate of Insurance delivered to Landlord in connection with the blanket policy) expressly references the Premises, and (iii) such blanket policy (or the Certificate of Insurance delivered to Landlord in connection with the blanket policy) contains a guaranteed amount of insurance for the Premises, which guaranteed amount shall equal the amounts of coverage required under this Lease). Landlord and Tenant agree to permit the other

at all reasonable times to inspect the policies of insurance of Landlord and Tenant covering risks upon the Premises or the Building for which policies or copies thereof are not required to be delivered to the other.

8. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant each hereby waives on behalf of itself and its insurers (none of which shall ever be assigned any such claim or be entitled thereto due to subrogation or otherwise) any and all rights of recovery, claim, action, or cause of action, against the other, or the other's directors, shareholders, partners, members, joint venturers, agents, officers, or employees, for any loss or damage that may occur to the Premises, the Building, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other causes which are, or could or should be insured against under the terms of the standard property insurance policies referred to in this Lease, regardless of whether such insurance is actually maintained and regardless of the cause or origin of the damage involved, including negligence of the other party hereto, its directors, shareholders, partners, members, joint venturers, agents, officers, or employees. Landlord and Tenant shall cause each of their respective property insurance policies hereunder to contain, or be endorsed with, a provision by which the insurer shall waive its right of subrogation against the other party hereto.

SECTION 27 – INTENTIONALLY DELETED.

SECTION 28 – LOSS AND DAMAGE. Landlord shall not be liable for any damage (other than damage caused by Landlord's negligence or willful misconduct) to any property of Tenant or of others located in the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise caused by other tenants or persons or occupants in the Building, or of adjacent property or the public. Except as provided herein, all property of Tenant kept or stored in the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord and Landlord Indemnitees harmless from any and all claims (other than claims arising from Landlord's negligence or willful misconduct) arising out of damage to same, including subrogation claims by Tenant's insurance carriers to the extent.

SECTION 29 – END OF TERM. Tenant shall surrender the Premises to Landlord at the expiration or sooner termination of this Lease in good order and condition, except for reasonable wear and tear, casualty, condemnation and acts of nature. Tenant agrees that if Tenant remains in possession of the Premises after the date of the expiration or sooner termination of this Lease without the consent of Landlord, there shall be no tacit renewal of this Lease or the Term, Tenant shall be deemed to be in default, and Tenant shall be deemed to be occupying the Premises as a holdover tenant at sufferance. During the holdover, the monthly Fixed Annual Rent, payable in advance on the first day of each month during such holdover, shall be equal to (a) 125% of the monthly amount of Fixed Annual Rent payable during the last month of the Term for the first sixty (60) days of the holdover, and (b) 150% of the monthly amount of Fixed Annual Rent payable during the last month of the Term for the next sixty (60) days of the holdover, and (c) 200% of the monthly amount of Fixed Annual Rent payable during the last month of the Term for entire remaining period of the holdover, and such holdover shall otherwise upon the same terms as are set forth in this Lease, so far as they are applicable to a tenancy at sufferance. The aforesaid provision of this Section shall survive the expiration or sooner termination of this Lease.

SECTION 30 – SIGNS.

A. Should Landlord in its sole discretion choose to construct a monument sign serving tenants in the Building, and further subject to Tenant's compliance with all applicable Governmental Requirements, and the terms hereof, Tenant, at its expense, shall also have the right to locate a panel on the Project monument sign containing Tenant's name and logo in first-class material) (the "**Monument Panel**"). Landlord's construction of the monument sign, and Tenant's use of the Monument Panel, are both subject to the approval of same by the City of Orlando. The location, size, shape, color, content, and manner of installation of the Monument Panel shall first be approved by Landlord, which approval will not be

unreasonably withheld or delayed. If Tenant elects to utilize the Monument Panel, then Tenant, at Tenant's expense, shall exercise due diligence to apply for and obtain all permits and licenses required in connection with the Monument Panel. Upon receipt of delivery of the Monument Panel Landlord install same, and Tenant shall reimburse Landlord for the reasonable cost of such installation. Landlord, at Tenant's expense, will cooperate with Tenant in the obtaining of such permits and licenses, but Landlord makes no representation or warranty that applicable Governmental Requirements will permit Tenant to install the Monument Panel.

B. The Monument Panel may only use the words "UCF" or "University of Central Florida" and the UCF logo, or another name and logo approved by Landlord, which approval will not be unreasonably withheld or delayed, but which may include considerations as to the reputation and value of the Building.

C. Tenant shall be permitted to display signage at the entry to its Premises as approved by Landlord (not to be unreasonably withheld or delayed), and Landlord (at Tenant's expense) shall provide Tenant with directory signage in the lobby of the Building. Landlord's approval is not required for any signage of Tenant wholly within the Premises, so long as such signage cannot be seen from the Common Areas or from anywhere outside of the Premises.

D. Except as otherwise set forth herein, Tenant shall not place any signs or other advertising matter or material on the exterior of the Building or anywhere upon the Common Areas. The foregoing is not intended to limit any signage that Landlord may be required to display pursuant to Governmental Requirements or pursuant to agreements with other tenants of the Building.

E. The Monument Panel shall be maintained and repaired by Landlord, and Tenant shall reimburse Landlord for the full cost thereof. The Monument Panel shall be removed by Tenant at the expiration or earlier termination of this Lease, and Tenant shall repair all damage caused thereby, all at Tenant's sole expense.

F. Should Tenant fail to deliver the Monument Panel to Landlord in suitable condition for installation prior to the date ninety (90) days after the Commencement Date then Tenant's right to utilize a Monument Panel (as applicable) under this Section 30 shall automatically terminate.

SECTION 31 – NOTICES. All notices, demands, requests, consents, approvals or other communications in this Lease provided or permitted to be given, made or sent by either party hereto to the other shall be in writing (whether or not so stated elsewhere in this Lease) and shall be deemed to have been duly given on the second (2nd) business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth in Section 1 hereof. Notwithstanding the foregoing, any of such notices, demands or other communications to be made pursuant to this Lease may be sent by hand delivery or by a national overnight carrier service (e.g. Federal Express) but shall only be deemed given when received (or when delivery thereof is refused, as the case may be). The address to which any notice, demand or other writing may be given, made or sent to either party may be changed by ten (10) days prior written notice given by such party as above provided. Any notice or other communication given in the manner provided above by counsel for either party shall be deemed to be notice or such other communication from the party represented by such counsel.

SECTION 32 – LANDLORD'S REPRESENTATIONS. Landlord, in order to induce Tenant to enter into this Lease, hereby represents that, as of the Effective Date:

A. Landlord has no actual knowledge of the unlawful presence of any Hazardous Substance on or about the Building Land. Landlord covenants to cooperate with Tenant, at Tenant's expense, in order

for Tenant to obtain (at Tenant's expense) a reliance letter from Landlord's environmental consultant in connection with any Phase I environmental report related solely to the Building Land obtained or to-be-obtained by Landlord, if any.

B. Landlord is sole owner of the Project and has full power and authority to conduct its business as presently conducted and to enter into this Lease, and that this Lease has been duly authorized, executed and delivered by Landlord and constitutes a legal and binding obligation of Landlord, subject to the terms hereof.

C. The execution, delivery and performance of this Lease will not conflict with, be inconsistent with, or result in any breach or default of any of the terms, covenants, conditions or provisions of any indenture, mortgage, bank loan, credit agreement, deed of trust, instrument, document, land use document, agreement or contract of any kind or nature to which Landlord is a party or by which Landlord may be bound.

D. To Landlord's actual knowledge, no litigation or proceedings (or threatened litigation or proceeding or basis therefor) exists which could materially and adversely affect the ability of Landlord to perform its obligations under this Lease or which would constitute a default on the part of Landlord under this Lease, or which would constitute such a default with the giving of notice or lapse of time, or both, subject to the terms hereof.

E. Landlord has no actual knowledge of any pending or threatened condemnation or similar proceeding affecting the Building Land or any portion thereof.

F. The Project is (or prior to the Commencement Date will be) zoned to permit the Use and the use and operation of the Premises for general office use (subject to the terms of the Declaration) and there is not any survey or title matter which prohibits or restricts the use and operation of the Premises for the Use or for general office use. Notwithstanding the above representations, Landlord does not represent or warrant that the Project is zoned for the Use and Tenant hereby acknowledges that it was and shall continue to be Tenant's obligation to confirm that the applicable zoning and other land use regulations applicable to the Project are sufficient and appropriate for Tenant's intended uses of the Premises.

G. Pursuant to requirements of UCF-7.209(5)(d), Landlord provides herewith the following Full Disclosure Statement of Ownership:

The Landlord entity is Lake Nona Innovation Center I, LLC. The 100% owner of that entity is Tavistock Asset Management, LLC (TAM). The ultimate beneficial owner of TAM is Mr. Joe Lewis. There are no public officials, agents, or employees of Tenant holding any interest in the Building or in Landlord.

Additionally, pursuant to UCF-7.214, Landlord further understands and agrees that upon renewal or modification of this lease, when requested by Tenant, this Full Disclosure Statement of Ownership shall either (1) be updated, or (2) if no change in the interest held or individuals concerned has occurred, be accompanied by a lessor's affidavit that the previous Disclosure Statement submitted at execution of this Lease is still valid.

As used herein, the reference to "Landlord's knowledge", "Landlord's actual knowledge" or other such references to the knowledge of Landlord shall be deemed to mean the actual knowledge, without investigation or inquiry of James L. Zboril and Scott I. Peek, Jr. (the "**Designated Landlord Knowledge Parties**") and shall not be construed, by imputation or otherwise, to refer to the knowledge of any other officer, agent, manager, representative or employee of Landlord, or to impose upon the Designated Landlord Knowledge Parties any duty to investigate the matter to which such actual knowledge, or the

absence thereof, pertains. There shall be no personal liability on the part of the Designated Landlord Knowledge Parties arising out of this Lease or any of Landlord's representations and warranties.

SECTION 33 – NON-WAIVER. No waiver of any covenant or condition of this Lease by either party shall be deemed to imply or constitute a further waiver of the same covenant or condition or of any other covenant or condition of this Lease. Any such waiver must be in writing and signed by the party granting the waiver. Except as expressly set forth in this Lease, no act or omission of Landlord or its agents shall constitute an actual or constructive eviction, unless Landlord shall have first received written notice of Tenant's claim and shall have had a reasonable opportunity to remedy such claim. Except as expressly set forth in this Lease, no act or omission of Tenant or its agents shall constitute an actual or constructive breach, unless Tenant shall have first received written notice of Landlord's claim and shall have had a reasonable opportunity to remedy such claim to the extent such notice and cure period is expressly provided in this Lease.

SECTION 34 – SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT.

A. This Lease and all rights of Tenant shall be subject and subordinate to any and all mortgages, security agreements, or like instruments resulting from any financing, refinancing, or collateral financing (including renewals or extensions thereof), and to any and all ground leases, made or arranged by Landlord of its interests in all or any part of the Building or the Project, from time to time in existence against the Building or the Project, whether now existing or hereafter created. Such subordination shall not require any further instrument to evidence such subordination. However, on request, Tenant shall further evidence its agreement to subordinate this Lease and its rights under this Lease to any and all documents and to all advances made under such documents. The form of such subordination shall be made as required by Landlord, its lender, or ground lessor. Tenant shall promptly on request attorn to any mortgagee, or to the future owner(s) of the Building or the Project, or the purchaser at any foreclosure or sale under proceedings taken under any mortgage, security agreement, like instrument, or ground lease, and shall recognize such mortgagee, owner, or purchaser as Landlord under this Lease.

B. Upon request of Tenant, and at Landlord's sole cost and expense, Landlord shall endeavor to obtain and deliver to Tenant from any present or future mortgagee (collectively, the "**Mortgagee**") such Mortgagee's customary and reasonable form of written subordination, non-disturbance and attornment agreement in recordable form providing, among other things, that so long as Tenant performs all of the terms, covenants and conditions of this Lease and agrees to attorn to the Mortgagee, on such customary terms and conditions as such Mortgagee may reasonably require, Tenant's rights under this Lease shall not be disturbed and shall remain in full force and effect for the Term, and Tenant shall not be joined by the Mortgagee in any action or proceeding to foreclose thereunder.

SECTION 35 – ESTOPPEL CERTIFICATES; FINANCIAL STATEMENTS.

A. Landlord and Tenant agree at any time and from time to time, upon not less than fifteen (15) days' prior written request by either of them to the other, to execute, acknowledge and deliver to the requesting party a statement in writing certifying that: this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified, and stating the modifications); the amount of the Fixed Annual Rent and the additional rent then being paid and the dates to which same have been paid; the space being occupied by Tenant; whether or not, to the best of the certifying party's knowledge, there is any existing or alleged default by either party with respect to which a notice of default has been served, or any facts which, with the passing of time or the giving of notice or both, would constitute a default and, if there is any such default or facts, specifying the nature and the extent thereof; and such other factual information pertaining to this Lease as may be reasonably requested by the requesting party, it being intended that any such statement delivered pursuant to this Section 35 may be

relied upon by Landlord, any prospective purchaser of the fee, or leasehold, or any mortgagee or assignee of any mortgage upon the fee or leasehold interest in the Premises (whether prospective or existing), or by any Tenant, assignee, Subtenant or lender of Tenant (whether prospective or existing).

B. Within thirty (30) days after written request from Landlord, Tenant shall deliver to Landlord a copy of the most recently prepared financial statements of Tenant, prepared by an independent certified public accountant in accordance with GAAP, and if such financial statements are not available for at least the previous calendar year (from the year in which the statements are being requested), then Tenant shall have such financial statements prepared by an independent certified public accountant in accordance with GAAP. At the time of Tenant's delivery to Landlord of any such financial statements, Tenant shall be deemed to represent and warrant to Landlord that, to the best of Tenant's knowledge, each such financial statement is a true and accurate statement in all material respects as of the date of such statement. All financial statements shall be confidential to the extent permitted by law (except Landlord may disclose such financial statements to Landlord's attorneys, accountants, lenders, prospective purchasers, consultants and advisors who have a need to know such information, all of whom shall be informed in writing by Landlord of the confidential nature of the information). Tenant shall not have any obligation to furnish the financial statements set forth above if Tenant is then a public body corporate of the State of Florida or a publicly traded company on a stock exchange which is subject to regulation by the Securities and Exchange Commission.

SECTION 36 – RELOCATION. Landlord reserves the right to relocate the Premises to other space within the Building by giving Tenant prior notice of such intention to relocate. If within one (1) month after receipt of such notice Tenant has not agreed with Landlord on the space to which the Premises are to be relocated, the timing of such relocation, and the terms of such relocation, then Tenant shall have the right to terminate this Lease with no further obligation provided that with Tenant's notice of termination Tenant pays to Landlord any unamortized portion of the Additional Allowance described in Section 2.4 of **Exhibit "D"**. If Tenant should agree to relocate, Landlord agrees to pay the reasonable cost of moving Tenant to such other space and finishing such space to a condition comparable to the then condition of the Premises. Tenant shall arrange for the relocation of the Premises within sixty (60) days after a comparable space is agreed upon or selected by Landlord, as the case may be. In the event Tenant fails to arrange for said relocation within the sixty (60) day period, Landlord shall have the right to arrange for the relocation of the Premises at Landlord's expense, all of which shall be performed in a manner designed to minimize unreasonable interference with Tenant's business.

SECTION 37 – RULES AND REGULATIONS. Subject to the last sentence of this **Section 37**, Tenant agrees to fully comply with all current rules and regulations as set forth in or provide for under the Declaration and also as set forth in **Exhibit "E"** attached hereto and by this reference incorporated herein ("**Rules and Regulations**"). Landlord shall have the right from time to time to prescribe additional reasonable uniform rules and regulations, which in its judgment, may be desirable for the use, entry, operation and management of the Building and the Project, each of which additional rules and regulations shall, upon Tenant's receipt of written notice thereof, be deemed incorporated herein and made a part hereof by this reference. The Rules and Regulations shall not be applied in a discriminatory manner to Tenant, nor shall any of the Rules and Regulations be inconsistent with the rights of Tenant under this Lease.

SECTION 38 – BROKER. Landlord and Tenant hereby represent and warrant, each to the other, that they have not disclosed this Lease or the subject matter hereof to, and have not otherwise dealt with, any broker, finder or any other person, firm, corporation or other legal entity so as to create any legal right or claim of whatsoever kind or nature for a commission or similar fee or compensation with respect to the Premises or this Lease. The provisions of this **Section** shall survive the expiration or sooner termination of this Lease.

SECTION 39 – DECLARATION. The Building and the Premises are subject to that certain Master

Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community as recorded May 16, 2007 in Official Records Book 9262, Page 2354, as amended by that certain First Amendment to Master Declaration of Covenants, Conditions, and Restrictions for Lake Nona South (Non-Residential) Community, recorded March 3, 2008 in Official Records Book 9614, Page 392, as further amended by that certain Second Amendment to Master Declaration of Covenants, Conditions, and Restrictions for Lake Nona South (Non-Residential) Community, recorded June 17, 2008 in Official Records Book 9713, Page 5676, as further amended by that certain Third Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded November 6, 2008 in Official Records Book 9786, Page 1942, as assigned by that certain Assignment and Assumption of Declarant's Rights and Obligations, recorded April 8, 2009 in Official Records Book 9855, Page 5702, as further amended by that certain Fourth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded November 3, 2009 in Official Records Book 9957, Page 2681, as further amended by that certain Fifth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded December 22, 2010 in Official Records Book 10150, Page 4154, as further amended by that certain Sixth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded May 9, 2011 in Official Records Book 10211, Page 4081, as assigned by that certain Assignment and Assumption of Declarant's Rights and Obligations, recorded January 27, 2012, in Official Records Book 10323, Page 7525, as further amended by that certain Seventh Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded November 15, 2012 in Official Records Book 10474, Page 9309, as further amended by that certain Eighth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded December 28, 2012 in Official Records Book 10496, Page 6517, as further amended by that certain Ninth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded August 5, 2013 in Official Records Book 10613, Page 5218, as further amended by that certain Tenth Amendment to Master Declaration of Covenants, Conditions, Restrictions and Easements for Lake Nona South (Non-Residential) Community, recorded October 31, 2014 in Official Records Book 10828, Page 7540, recorded in the Public Records of Orange County, Florida, as such is further amended from time to time (the "Declaration"). This Lease and Tenant's rights hereunder are expressly subject to the Declaration and all other matters of record affecting the Leased Premises. Tenant agrees to comply with the provisions of the Declaration.

SECTION 40 – PARKING. As long as this Lease is in full force and effect, Landlord will provide (or will cause the operator of the parking field located at the Project to provide) Tenant during the Term, at no additional consideration, access to and non-exclusive use of the surface parking facilities located at the Project by Tenant, its employees, invitees and guests. Tenant's use of the parking spaces in the Project parking field shall be subject to the terms and provisions of Exhibit "F" attached hereto and made a part hereof. At no time during the Term shall Tenant's actual use of the parking field exceed a ratio of three (3.0) parking spaces per one thousand (1,000) square feet of Rentable Area in the Premises.

SECTION 41 – CONSTRUCTION OF LANGUAGE. The terms "Lease," "Lease Agreement" or "Agreement" shall be inclusive of each other, and shall include renewals, extensions or modifications of this Lease. The Section headings and titles are for convenience only and shall have no effect upon the construction or interpretation of any part of this Lease. This Lease has been prepared, reviewed and revised mutually by Landlord and Tenant and their respective professional advisors. Landlord, Tenant and their separate advisors believe that this Lease is the product of their joint efforts, that it expresses their agreement, and that it should not be interpreted in favor of either Landlord or Tenant or against either Landlord or Tenant merely because of their efforts in its preparation.

SECTION 42 – LIABILITY OF LANDLORD. Tenant shall look solely to (i) the estate and property of Landlord in the Project, (ii) the rents and other income (including, without limitation, insurance proceeds payable to Landlord) from the Project receivable by Landlord, and (iii) the consideration received by Landlord from the sale of all or any part of the Project, for the collection of any judgment, or in connection with any other judicial process, requiring the payment of money by Landlord in the event of any default by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and performed by Landlord, and no other property or estates of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of Tenant's remedies and rights under this Lease. The provisions of this Section 42 are not designed to relieve Landlord from the performance of any of its obligations hereunder, but rather to limit Landlord's liability in the case of a recovery of a money judgment against Landlord. The foregoing limitation shall not apply to or limit any injunctive or other equitable declaratory or other forms of relief to which Tenant may be entitled. The word "Landlord" as used in this Lease shall mean only the owner from time to time of Landlord's interest in this Lease. In the event of any assignment of Landlord's interest in this Lease at any time following Substantial Completion, the assignor (and all prior assignor landlords, if this Lease has been assigned prior to Substantial Completion) shall no longer be liable for, and shall be deemed to be released from, the performance or observation of any agreements or conditions on the part of Landlord to be performed or observed subsequent to the effective date of such assignment provided the assignee specifically assumes all such obligations.

SECTION 43 – GOVERNING LAW. This Lease shall be construed and interpreted according to the laws of the State of Florida and exclusive venue with respect to any litigation shall be in Orange County, Florida, except as same may be in contravention of applicable law.

SECTION 44 – TIME OF ESSENCE. Subject to Section 53, time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

SECTION 45 – ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated to be paid shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided herein or by law. No acceptance of any Rent by Landlord shall constitute a waiver by Landlord of any prior or subsequent default of Tenant, notwithstanding any knowledge of such default by Landlord at the time of receipt of such Rent. No failure by Tenant to enforce any obligation of Landlord, or acceptance by Tenant of any partial performance by Landlord of any obligation hereunder shall constitute a waiver by Tenant of any prior or subsequent default by Landlord, notwithstanding any knowledge of such default by Tenant at the time.

SECTION 46 – ENTIRE AGREEMENT. This Lease, and the Exhibits "A" through "H" attached hereto and forming a part hereof as if fully set forth herein, constitute all covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises, and the Project and there are no covenants, promises, conditions or understandings, either oral or written, between them other than are herein set forth. Neither Landlord nor Landlord's agents have made nor shall be bound to any representations with respect to the Premises or the Project except as herein expressly set forth, and all representations, either oral or written, shall be deemed to be merged into this Lease. Except as herein otherwise provided, no subsequent alteration, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties.

SECTION 47 – SEVERABILITY. If one or more of the provisions of this Lease shall, for any reason, be held to be unenforceable in any respect, to the extent the underlying intent of this Lease can be upheld, such enforceability shall not affect any other provision of this Lease.

SECTION 48 – INTEREST ON PAST DUE OBLIGATIONS. In addition to any and all other amounts which may be due as provided in this Lease, any amount due from either party to the other party hereunder that is not paid within ten (10) days after the due date expressly provided herein (or if no date is specified, then within thirty (30) days of written demand) shall thereafter bear interest at the Stipulated Rate from the date due until paid. Notwithstanding the foregoing, any monthly installments of Fixed Annual Rent and Tenant's Proportionate Share of Operating Costs and Tenant's Proportionate Share of Taxes due Landlord hereunder not paid within ten (10) days after the due date, shall thereafter bear interest at the Stipulated Rate from the date due until paid. In addition, any Rent other than monthly installments of Fixed Annual Rent and Tenant's Proportionate Share of Operating Costs and Tenant's Proportionate Share of Taxes (subject to Tenant's tax exempt status as set forth in Section 6), due Landlord hereunder not paid within ten (10) days after Tenant's receipt of written notice from Landlord shall thereafter bear interest at the Stipulated Rate from the date due until paid.

SECTION 49 – LANDLORD'S LIEN. Omitted

SECTION 50 – RADON DISCLOSURE. In accordance with the requirements of Florida Statutes Section 404.056(8), the following notice is hereby given to Tenant: "RADON GAS: RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY HEALTH DEPARTMENT."

SECTION 51 – OFAC COMPLIANCE. Tenant and Landlord (each, a "**Representing Party**") each represents and warrants to the other that (a) neither the Representing Party nor any person or entity that directly owns a 25% or greater equity interest in it nor any of its officers, directors, or managing members is a person or entity (each, a "**Prohibited Person**") with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including Executive Order 13224 (the "**Executive Order**") signed on September 24, 2001 and entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"), or other governmental action, (b) the Representing Party's activities do not violate the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001 or the regulations or orders promulgated thereunder (as amended from time to time, the "**Money Laundering Act**") (i.e., Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**"), and (c) throughout the Term of this Lease the Representing Party shall comply with the Executive Order, the Money Laundering Act, and the Patriot Act.

SECTION 52 – NAME OF BUILDING. The name of the Building is the "Innovation Center I". Landlord shall have the right to change the name of the Building.

SECTION 53 – EXCUSE OF PERFORMANCE. If either party to this Lease, as the result of any (i) strikes, lockouts or labor disputes, (ii) inability to obtain labor or materials or reasonable substitutes therefor, (iii) acts of nature (including, without limitation, lightning, earthquake, hurricane, tornado, and flood), or any governmental action, condemnation, civil commotion, war, terrorism, fire or other casualty, or (iv) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform, fails punctually to perform any obligation on its part to be performed under this Lease (other than inability to pay monies due under this Lease), then such failure shall be excused and not be a breach of this Lease by the party in question, but only to the extent occasioned by such event and only

if the excused party gives notice of such circumstance to the other party within ten (10) days after, or if such notice is not reasonably possible given the circumstances of the conditions, as soon as reasonably possible after, the commencement of the delaying occurrence. If any right or option of either party to take any action under or with respect to this Lease is conditioned upon the same being exercised within any prescribed period of time or at or before a named date, then such prescribed period of time and such named date shall be deemed to be extended or delayed, as the case may be, for a period equal to the period of the delay occasioned by any event described above.

SECTION 54 – TENANT'S REPRESENTATIONS. Tenant, in order to induce Landlord to enter into this Lease, hereby represents that, as of the date of this Lease:

A. Tenant has full power and authority to conduct its business as presently conducted and to enter into this Lease. That this Lease has been duly authorized, executed and delivered by Tenant and constitutes a legal and binding obligation of Tenant.

B. The execution, delivery and performance of this Lease will not conflict with, be inconsistent with, or result in any breach or default of any of the terms, covenants, conditions or provisions of any indenture, mortgage, bank loan, credit agreement, deed of trust, instrument, document, agreement or contract of any kind or nature to which Tenant is a party or by which Tenant may be bound.

C. To the best of Tenant's knowledge, no litigation or proceedings (or threatened litigation or proceeding or basis therefor) exists which could materially and adversely affect the ability of Tenant to perform its obligations under this Lease or which would constitute a default on the part of Tenant under this Lease, or which would constitute such a default with the giving of notice or lapse of time, or both.

SECTION 55 – NO JOINT VENTURE. The parties intend by this Lease to establish the relationship of Landlord and Tenant only, and do not intend to create a partnership, joint venture, joint enterprise or any business relationship other than that of Landlord and Tenant.

SECTION 56 – COVENANTS OF TENANT. Tenant hereby agrees and covenants to Landlord that, at all times during the Term of this Lease:

A. Tenant, at its expense, agrees to comply with all "**Governmental Requirements**" (as hereinafter defined) regarding Tenant's permitted Use of the Premises or regarding subsequent Alterations to the Premises made by Tenant. The term "**Governmental Authority**" shall mean any federal, state, county, municipal, or other governmental, governmental department, commission, board, bureau, court, agency, or instrumentality having jurisdiction or authority over Landlord, Tenant and/or all or any part of the Project. The term "**Governmental Requirement**" shall mean any law, statute, code, rule, regulation, ordinance, order, authorization, registration, or other direction or requirement of any Governmental Authority which is now or in the future applicable to the Project or any part thereof.

B. Tenant is and will be licensed to conduct the business contemplated and carried on in the Premises and Tenant agrees to maintain at all times, at its sole cost and expense, all requisite permits and/or licenses in connection therewith.

C. Tenant shall not bring or keep, or permit to be brought or kept except for those substances, materials, and wastes typically used in connection with and generated by research activities being conducted within the Premises consistent with the terms of this Lease and in accordance with applicable Governmental Requirements, any inflammable, combustible, or explosive fluid, material, chemical, or substance in or about the Premises. Neither Tenant nor its agents, employees, contractors, Subtenants, Clients, assignees and invitees will use the Premises, or any portion thereof, in a manner which causes any Hazardous

Substance to be released, and will not release (as hereinafter defined) any Hazardous Substance, in, on, beneath, at or about the Premises, or any portion thereof, including, without limitation, into the atmosphere, soil or groundwater thereof. If Tenant or its agents, employees, contractors, Subtenants, Clients, assignees or invitees or any other person or entity during the Term of this Lease causes or permits the spilling, leaking, pumping, pouring, emitting, discharging, injection, escaping, leaching, dumping, or disposing in, on, beneath, at or about the Premises, including, without limitation, into the interior spaces, building materials, equipment, atmosphere, soil, parking lots or groundwater thereof (each such event or occurrence being a "release") of any Hazardous Substance, Tenant, upon knowledge thereof, shall immediately notify Landlord in writing of such release. Upon knowledge of a Hazardous Substance release by Tenant or its agents, employees, contractors, Subtenants, Clients, assignees, or invitees, Tenant will immediately commence, diligently conduct and complete the investigation, assessment, clean-up and remediation of each such release of Hazardous Substances, and take all such other action, as may be necessary or required by the Governmental Requirement, all at Tenant's sole cost and expense.

D. Tenant shall not pour or otherwise dispose of any chemical, chemical waste, chemical by-products, or other such material, through the drainage (plumbing) system of the Premises other than customary cleaning fluids. This representation by Tenant is a material inducement to Landlord to enter into this Lease, and without such inducement, Tenant acknowledges that Landlord would not have entered into this Lease agreement. Accordingly, Tenant's breach of this agreement shall be deemed a material default under this Lease, entitling Landlord to exercise any and all of its rights for Tenant's default.

E. In no event shall Tenant's employees, guests, visitors or other invitees loiter in the Building or sidewalks adjoining the Building or disturb other occupants at the Building.

F. In no event shall the Premises be used in any manner which might unreasonably expose the tenants thereof to breaches of safety, security, excess traffic or exposure to noxious or offensive fumes, odors, noises, nuisance or other harassment.

G. That Tenant's storage, handling, removal and disposal of all medical waste matter at or from the Premises shall be done in compliance with all Governmental Requirements now or hereafter existing and shall be performed by Tenant at Tenant's sole cost and expense. Tenant shall provide separate dedicated waste containers for all medical, bio-hazardous and radiological wastes to prevent them from being mixed with all other wastes generated from the Premises.

SECTION 57 – SUCCESSORS AND ASSIGNS. The covenants, agreements and obligations herein contained, except as herein otherwise specifically provided, shall extend to, bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, administrators, successors and permitted assigns.

SECTION 58 – TELECOMMUNICATIONS.

A. Tenant shall, at Tenant's sole cost and expense, be solely responsible for securing such telephone and other electronic telecommunications service to the Premises as Tenant may require for its use and occupancy thereof, and Landlord shall have no obligations or liability whatsoever to Tenant with respect to the provision of such services to the Premises. Except as set forth in this Lease or the Construction Addendum for the Leasehold Improvements, none of Landlord's approval of, or requirements concerning, any telecommunications work, lines, equipment, plans, specifications or drawings or any equipment related thereto, Tenant's telecommunications provider or Tenant's and/or Tenant's telecommunications provider's contractors, subcontractors, or Landlord's future designation of a preferred telecommunications provider for the Building (if any), shall be deemed a warranty as to the adequacy, suitability, competence or financial strength thereof, and Landlord hereby disclaims any responsibility or liability for the same. Further, Tenant

hereby acknowledges that Landlord shall have no obligation or liability and hereby waives any claim against Landlord for any damages or problems in the event that Tenant's telecommunications services, lines or equipment are in any way inadequate, do not satisfy Tenant's requirements, are interrupted, curtailed, discontinued, disconnected, terminated, damaged or otherwise interfered with, or fail, except to the extent such services, lines, or equipment do not meet Landlord's obligations under this Lease or the Construction Addendum for the Leasehold Improvements, or caused by the gross negligence or willful misconduct of Landlord, its employees or agents. Any telegraphic, telephone or data lines installed in the Premises and/or the Building by or on behalf of Tenant shall be appropriately tagged with Tenant's name and the name of the provider, and all of such wiring shall be removed by Tenant, at Tenant's expense, upon the expiration or termination of this Lease.

B. To the extent permitted by Florida law, Tenant shall provide an opportunity to Dais Technologies, LLC (a provider of telecommunications services within the Lake Nona development), to propose or bid upon the telecommunication installations and services related to the Premises, which intent to negotiate or request for bid, as appropriate and applicable, shall be conducted at all times in accordance with Florida Statutes.

SECTION 59 – COUNTERPART EXECUTION. This Lease may be executed and delivered in counterparts for the convenience of the parties by facsimile or e-mail, all of which taken together shall constitute one and the same instrument. If requested, the parties agree to follow-up counterpart execution with signature pages signed by both parties.

SECTION 60 – WAIVER OF JURY TRIAL; COUNTERCLAIMS. THE PARTIES HERETO WAIVE TRIAL BY JURY IN CONNECTION WITH ANY PROCEEDINGS OR COUNTERCLAIMS BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER.

SECTION 61 – THIRD PARTY BENEFICIARIES. Nothing in this Lease shall inure to the benefit of any third party for the purpose of allowing any third party claim against Tenant that would otherwise be barred under the doctrine of sovereign immunity or operation of law, or that would grant any third party any rights or remedies under this Lease.

[SIGNATURES APPEAR ON NEXT PAGES]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, or have caused the same to be executed as of the day and year first above written.

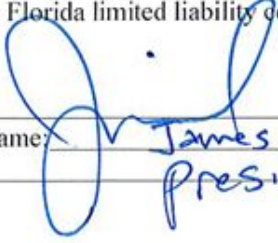
Signed, sealed and delivered
in the presence of:

LANDLORD:

LAKE NONA INNOVATION CENTER I,
LLC, a Florida limited liability company

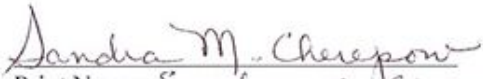
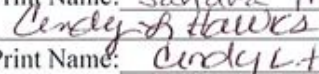

Print Name: Diana Garcia

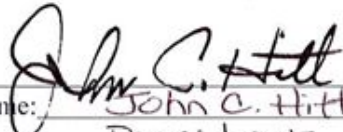
Print Name: Kathy Kiffell

By: 
Print Name: James L. Zbori
Its: President MR
[SEAL]

TENANT:

UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES, a public body
corporate


Print Name: Sandra M. Cherepow

Print Name: Cindy L. Hawes

By: 
Print Name: John C. Hitt
Its: President

[SEAL]

Approved as to Form and Legality
Srs, 11/30/16

EXHIBIT "A"

BUILDING LAND LEGAL DESCRIPTION

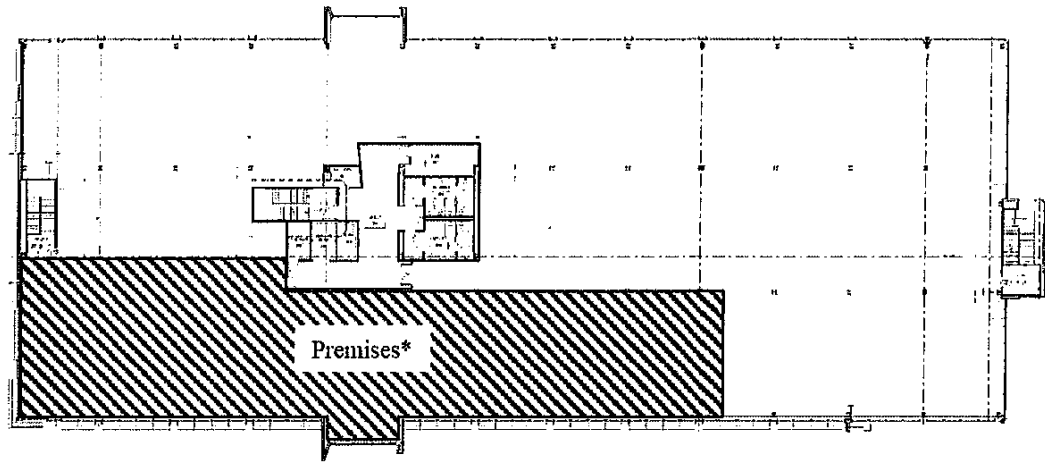
BUILDING ENVELOPE LEGAL DESCRIPTION:

THAT PART OF SECTION 26, TOWNSHIP 24 SOUTH, RANGE 30 EAST, ORANGE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF LOT 1, UNIVERSITY OF FLORIDA RESEARCH AND ACADEMIC CENTER - LAKE NONA CAMPUS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 76 PAGES 6 AND 7, OF THE PUBLIC RECORDS OF ORANGE COUNTY FLORIDA; THENCE N 14° 13' 04" W ALONG THE EASTERLY LINE OF SAID PLAT OF UNIVERSITY OF FLORIDA RESEARCH AND ACADEMIC CENTER - LAKE NONA CAMPUS, A DISTANCE OF 60.00 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF SANGER ROAD, ACCORDING TO SAID PLAT OF UNIVERSITY OF FLORIDA RESEARCH AND ACADEMIC CENTER - LAKE NONA CAMPUS, THENCE CONTINUE N 14° 13' 04" W A DISTANCE OF 8.41 FEET, THENCE S 78°44'27" W A DISTANCE OF 27.25 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S 78°44'27" W A DISTANCE OF 301.20 FEET, THENCE N 11°16'39" W A DISTANCE OF 130.48 FEET; THENCE N 78°44'27" E A DISTANCE OF 301.20 FEET; THENCE S 11°16'39" E 130.48 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

PREMISES FLOOR PLANS



*Location of demising walls and corridors are approximate; actual locations and dimensions of Premises will be determined by Tenant's final space plan.

EXHIBIT "C"

EXCLUSIONS TO OPERATING COSTS

Notwithstanding anything to the contrary contained in the Lease in the definition of "Operating Costs," Operating Costs shall not include:

- (a) all capital expenditures, determined by reference to GAAP, and rentals for any item which, if the same had been purchased, would have constituted a capital expenditure, except as otherwise expressly set forth in the Lease;
- (b) all costs and expenses of leasing space in the Building, including advertising, promotion, other marketing, commissions, legal fees, allowances, and all costs and expenses of any demolition in, painting, carpeting, or refurbishing of, or alterations or improvements to, any leasable space made for any tenant or occupant or to enhance the marketability thereof or prepare the same for leasing;
- (c) electricity furnished to any leasable space in the Building (except to the extent, if any, electricity is required to be furnished to Tenant free of separate or additional charge);
- (d) all costs and expenses arising from repairs or reconstruction due to fire or other casualty to the extent reimbursed by insurance proceeds (provided that deductibles are includible in Operating Costs subject to the requirements of the Lease regarding deductibles);
- (e) any taxes other than Taxes and any related interest or penalties, other than sales taxes on amounts otherwise includable in Operating Costs; ground lease rents; depreciation, amortization and debt service and other financing expenses (other than as included in clause (a) above);
- (f) all labor costs for personnel above the grade of building manager; all labor costs allocable to any part of an employee's time during which such employee is not engaged at the Building in the operation and maintenance thereof;
- (g) any amount paid or incurred to any affiliate of Landlord (excluding Dais Technologies, LLC) or of any of its agents (and specifically including amounts paid to or incurred to entity or entities performing management and maintenance obligations of Landlord in which Landlord may hold an ownership or other interest), in excess of the amount which would have been paid or incurred on an open market basis in the absence of such affiliation, but only to the extent of the excess;
- (h) legal, architectural, engineering, broker, accounting and other professional fees relating to tenant spaces and/or not relating to Building operations specifically agreed to in the Lease;
- (i) the cost of any other item for which Landlord is reimbursed by insurance or otherwise;
- (j) the initial construction cost of any additions to the Common Areas pursuant to an expansion of the Project's leasable square footage (but not including maintenance expenses);
- (k) the cost of any initial installations for any tenant or other occupant of the Project;
- (l) the cost of leasing, or any depreciation on, any equipment used in connection with the Project;

- (m) legal, accounting and other professional fees with respect to negotiation or enforcement of this Lease and other leases in the Building;
- (n) interest or amortization payments in connection with the Project;
- (o) the cost of correcting defects in the construction of the buildings, improvements and equipment of the Project (but not including normal maintenance and repair expenses);
- (p) any political or charitable contributions;
- (q) any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord;
- (r) expenses of repairs and other work occasioned by fire, windstorm or other casualty which are covered by insurance proceeds (but excluding co-payments and deductibles to the extent specified in the Lease);
- (s) wages, salaries or other compensation paid to any executive employees above the grade of building manager;
- (t) costs attributable to repairing items that are actually funded by warranties; or
- (u) any other cost or expense not attributable to the agreed upon Operating Expenses obligations specified in the Lease for operation and maintenance of the Building.

EXHIBIT "D"

CONSTRUCTION ADDENDUM

**CONSTRUCTION ADDENDUM FOR BASE BUILDING AND LEASEHOLD IMPROVEMENTS
ATTACHED TO AND MADE A PART OF THE LEASE BETWEEN**

**LAKE NONA INNOVATION CENTER I, LLC, AS LANDLORD
AND
UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES, AS TENANT**

ARTICLE I

CERTAIN DEFINITIONS

For the purposes of this Exhibit (herein called the "**Addendum**"), unless the context otherwise requires, the following terms will have the respective meanings assigned to them in this Article I or the section or article referred to below:

1.1 "**Base Building Architect**" will mean BAM Architectural Studio, or such other firm which may hereafter be designated by Landlord.

1.2 "**Base Building Plans**" will mean the final, detailed working plans, specifications, drawings, and construction documents for the Base Building (as defined herein) which have been prepared and sealed by the Base Building Architect, and which are modified as provided herein and approved in writing by the appropriate Governmental Authority (only to the extent necessary to obtain all requisite building and other permits.

1.3 "**Base Building**" will mean that certain three (3) story building as generally described and defined as the "Building" in Section 1.4 of the Lease, together with the Base Building Systems (as defined herein), grading, drainage, site work, parking and landscaped areas, restrooms, lobbies, equipment rooms, and related improvements to the foregoing which has been built on the Building Land in accordance with the Base Building Plans and all Governmental Requirements.

1.4 "**Base Building Systems**" will mean with respect to the Base Building: (a) the stairs and elevators; (b) the plumbing, mechanical and security system (including building access system); (c) the electrical, telephone, telecommunication conduit, water, storm sewer and sanitary sewer utility systems and connections; (d) the sprinkler and fire protection systems, life safety systems and lightning protection system; (e) the lighting systems; (f) the ceiling system; and (g) the paving and other improvements for pedestrian and vehicular access and vehicular parking, together with all equipment, machinery, shafts, risers, flues, piping, wiring, ducts, ductwork, panels and instrumentation and other appurtenances relating to any or all of the foregoing, all as more specifically set forth in the Base Building Plans.

1.5 "**Base Building Work**" will mean all construction work, services performed, or materials provided in connection with the construction of the Base Building by Landlord. The Base Building Work does not include the Leasehold Improvements Work (as defined below) to be constructed by Tenant.

1.6 "**Building Plans**" will mean the Base Building Plans and the Leasehold Improvement Plans (as defined herein).

1.7 "**Construction Contract**" will mean the construction contract and/or construction management agreement entered into by Landlord, as owner, for the construction and/or management of construction of all or any part of the Project and the other improvements called for in the Base Building Plans.

1.8 **Intentionally Blank.**

1.9 "**General Contractor**" will mean the general contractor or construction manager that was selected by Landlord, for the construction of the Base Building in accordance with this Addendum.

1.10 "**Landlord's Work**" will mean the Base Building Work (and shall not include the Leasehold Improvements Work).

1.11 "**Leasehold Contract**" will mean the Construction Contract awarded for the construction of the Leasehold Improvements (as defined herein).

1.12 "**Leasehold Contractor**" will mean the general contractor or construction manager, selected and designated by Landlord and approved by Tenant for the construction of the Leasehold Improvements in accordance with this Addendum.

1.13 "**Leasehold Improvement Architect**" will mean the architect selected and designated by Landlord and approved by Tenant.

1.14 "**Leasehold Improvement Plans**" will mean the final, detailed working plans, specifications, drawings, and construction documents for the Leasehold Improvements to be prepared and sealed by the Leasehold Improvement Architect and approved, pursuant to the terms of this Addendum, in writing by Landlord, Tenant and the appropriate Governmental Authority, as such Leasehold Improvement Plans may be modified in accordance with this Addendum.

1.15 "**Leasehold Improvements**" will mean all leasehold improvements to be constructed and/or installed in the Premises, including, but not limited to, all partitions, doors and hardware, wall coverings, painting, lighting systems, HVAC system to serve the Premises, supplemental electrical systems, supplemental ceiling systems, floor coverings, millwork and other tenant finish improvements (but specifically excluding the Base Building Systems and other improvements which are defined as part of the Base Building), all as more specifically set forth in the Leasehold Improvement Plans. Leasehold Improvements will not include furniture, furnishings, office equipment, signs, artwork, trade fixtures, or special systems installed by Tenant that are in the nature of movable or removable fixtures or equipment.

1.16 "**Leasehold Improvements Work**" will mean all construction work, services performed, or materials provided to the Premises in connection with the construction of the Leasehold Improvements to be performed by Landlord on behalf of Tenant.

1.17 **Intentionally Blank.**

1.18 **Intentionally Blank.**

1.19 **Intentionally Blank.**

1.20 **Intentionally Blank.**

1.21 "**Space Plan**" shall have the meaning set forth in Section 2.1(b) of this Addendum.

1.22 **"Substantial Completion"** or **"Substantially Complete"** will mean the completion by Landlord of Landlord's Work, all as more specifically set forth in the Building Plans, including, but not limited to, the construction and installation of the Base Building, in accordance with the Building Plans, all applicable Governmental Requirements, and this Addendum, in a good and workmanlike manner, and in accordance with good construction and engineering practices, free from known defects, and that Landlord's Work is sufficiently complete, as set forth in the Lease, so as to allow Tenant to occupy the Premises for the Use without unreasonable disturbance or interruption. Tenant acknowledges and agrees that Substantial Completion of Landlord's Work has occurred prior to the Effective Date of this Lease. **"Substantial Completion"** as such relates to the Leasehold Improvements Work, will mean the issuance of a Certificate of Occupancy allowing Tenant to occupy and operate in the Premises for the Use, subject to Tenant's installation of any items to be installed by Tenant hereunder. At Landlord's request, and upon Landlord's satisfaction of the required elements of Substantial Completion, Tenant will execute and deliver to Landlord written acknowledgments that Substantial Completion of the Leasehold Improvements Work has occurred upon the occurrence thereof.

1.23 **Intentionally Blank.**

1.24 **"Tenant Improvement Allowance"** will mean up to a maximum amount of One Million Six Hundred Fifty Thousand and No/100 Dollars (\$1,650,000.00), as further provided below.

1.25 **Intentionally Blank.**

1.26 **Intentionally Blank.**

1.27 **"Tenant's Cost"** will have the meaning set forth in Section 5.2 of this Addendum.

Additional defined terms may appear in other provisions of this Addendum and, if so, will have the respective meanings assigned to them. Capitalized terms not specifically defined in this Addendum will have the same meanings as ascribed thereto in the Lease. The definition of a term or phrase in the singular will include and allow for a reference to such term or phrase in the plural or vice versa.

ARTICLE II

BUILDING PLANS AND CONSTRUCTION CONTRACTS

2.1 **Preparation of Building Plans.**

(a) **Base Building Plans.** Landlord has caused the Base Building Architect to prepare (and, as appropriate, revise) the Base Building Plans. Copies of the Base Building Plans have been provided to Tenant for Tenant's use in developing the Leasehold Improvement Plans.

(b) **Space Plan Approval.** Attached hereto as **Exhibit "D-1"** is a space plan for the Premises (the "**Space Plan**") which has been approved by Landlord and Tenant.

(c) **Leasehold Improvement Plans.** Landlord on behalf of Tenant will cause the Leasehold Improvement Architect to prepare (and, as appropriate, revise) the Leasehold Improvement Plans consistent with the Space Plan and as specified by and in accordance with all Governmental Requirements (including but not limited to applicable Environmental Health and Safety Fire Codes), and shall provide that all laboratory space within the Premises will include fire sprinklers. In no event will the Leasehold Improvement Plans require or result in a change in the scope, design or general quality of the Base Building

as reflected in the Base Building Plans. The Leasehold Improvement Plans will be submitted to Landlord and the Base Building Architect and Landlord will, by appropriate marking, either approve the same or provide specific reasonable indications of rejections and requested revisions (in which event the Leasehold Improvement Plans will be revised by the Leasehold Improvement Architect and resubmitted to Landlord and the Base Building Architect, and the process repeated, until finally approved in full), and any approval of Landlord will not be unreasonably withheld or delayed. Any changes to the Base Building Plans that are required under or as a result of the Leasehold Improvement Plans as approved by Landlord under this subsection (c) shall be deemed to be a Tenant's Building Change and shall be subject to the provisions of Section 3.2 hereof. Landlord will approve or provide specific reasonable indications of rejections and requested revisions to any items submitted (or resubmitted) pursuant to this subsection (c) no later than fifteen (15) Business Days after initial receipt thereof by Landlord and the Base Building Architect and no later than five (5) Business Days upon any subsequent review thereafter, until the Leasehold Improvement Plans are approved or deemed approved by Landlord. The failure of Landlord to notify Tenant of approval or disapproval of the items submitted to Landlord under this subsection (c) within such fifteen (15) or five (5) Business Day period, as applicable, will be deemed to be approval thereof by Landlord and such items shall be incorporated in the Leasehold Improvements Work.

Landlord agrees that it shall on behalf of Tenant, at Tenant's cost and expense, cause the Leasehold Improvement Architect to: (x) generate written inspection reports after each inspection of the Leasehold Improvements Work and forward the same to Landlord within ten (10) days after each inspection, which shall be no less frequently than monthly; (y) provide reasonable and customary architectural services, as the architect that designed the Leasehold Improvements, necessary for Landlord and the Leasehold Contractor to timely obtain a building permit for and complete the Leasehold Improvements; and (z) work with the Leasehold Contractor so that the Leasehold Improvement Plans may be prepared and completed. Once the Leasehold Improvement Plans have been approved as provided in this subsection (c), in the event of any conflict between a Space Plan and related Leasehold Improvement Plans, the Leasehold Improvement Plans shall control.

(d) Fire and Safety. Notwithstanding any language to the contrary, Landlord will coordinate with Tenant to ensure that the construction of the Leasehold Improvements includes review, as needed, by the State Fire Marshall to determine compliance with UCF Environmental Health & Safety Fire Codes, and any delay in the construction process arising from fire code compliance obligations shall not result in assessment of any penalty to or obligation of Tenant, but shall be solely borne by Landlord. However, in the event of a conflict between the UCF Environmental Health & Safety Fire Codes and the City of Orlando Building Code, the City of Orlando Building Code shall prevail. Effect of Approval. To the extent that Tenant's approval or consent is required or contemplated hereunder, approval by Tenant (whether actual or deemed) will (a) be non-technical approval of design, materials, and equipment, (b) not be deemed to mean approval of structural capacity of the Base Building or the Base Building Systems, size of ducts and piping, adequacy of electrical wiring, system/equipment capacities and, without limitation, other technical matters, and (c) not relieve Landlord of responsibility for proper and adequate design of the Base Building or construction of the Landlord's Work or of the Leasehold Improvements or construction of the Leasehold Improvements Work. Provided however, Tenant will promptly notify Landlord of any defects or problems in the Building Plans and the construction of the Landlord's Work and in the Leasehold Improvement Plans and the construction of the Leasehold Improvements Work to the extent that Tenant has actual, and not imputed, knowledge thereof. Landlord will ensure that the structure and detail of the utilities and the mechanical, electrical and other systems of the Leasehold Improvements meet all applicable Governmental Requirements and the Leasehold Improvement Plans and that all of the Leasehold Improvements Work satisfies all Governmental Requirements. Landlord will obtain from the Leasehold Contractor a commercially reasonable warranty regarding the construction of the Leasehold Improvements. Such warranty shall be in addition to and not in lieu of Landlord's (i) warranty of construction set forth in Article X of this Addendum, and (ii) repair and maintenance obligations expressly set forth in the Lease.

2.2 Construction Contract for Base Building. Landlord has previously entered into a Construction Contract for the construction of the Base Building.

2.3 Construction Contract for Leasehold Improvements. Landlord shall on behalf of Tenant enter into a Construction Contract for the construction of the Leasehold Improvements which shall be in form and substance as determined by Landlord, subject to the requirements of this Addendum and approved in writing by Tenant, which approval shall not be unreasonably withheld, conditioned or delayed. Upon each execution by Landlord of the Leasehold Improvements construction contract, and prior to commencement of construction thereunder, Tenant shall pay to Landlord a sum equal to the anticipated total cost of such Leasehold Improvements Work (including all labor, materials, fees, costs, design and permitting charges and other related expenses) in excess of the portion of the Tenant Improvement Allowance. Landlord may use such funds received from Tenant for the first draw payments related to the Leasehold Improvements Work until such funds are exhausted. Thereafter Landlord shall fund the balance of such costs up to the amount of the share of the Tenant Improvement Allowance. If the total Leasehold Improvements Work costs exceeds the anticipated cost estimated at the commencement of construction, Tenant shall be solely responsible for such excess costs and shall immediately pay to Landlord the sum equal to the total of such excess costs upon notice of same from Landlord. At such time as it is determined that the costs of the Leasehold Improvements construction contract shall exceed the Tenant Improvement Allowance Tenant may elect by notice to Landlord to receive from Landlord an addition to the Tenant Improvement Allowance (the "**Additional Allowance**") up to a total maximum amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) to be applied to fund all or a portion of such excess amount. In such event the amount of the Additional Allowance to be funded by Landlord shall be added to Tenant's Fixed Annual Rent based upon an amortization of such amount over a five (5) year period together with interest accruing thereon at the rate of six percent (6%) per annum. In the event of such Additional Allowance election Landlord and Tenant shall execute an amendment to this Lease setting forth the modified Fixed Annual Rent schedule payable by Tenant. If after election of an Additional Allowance Tenant duly and timely elects to exercise its early termination option set forth in Section 3.B. above such exercise shall not be effective unless Tenant simultaneously with exercising such early termination option pays to Landlord the full amount of the Additional Allowance which has not been repaid to Landlord under such Fixed Annual Rent amortization as of the date of such election notice.

ARTICLE III

CHANGES IN BUILDING AND COST OF CHANGES

3.1 Changes to the Building by Tenant. Tenant may request Landlord to make changes to the Building, which has already been constructed. Any changes to the Building so requested by Tenant (herein referred to as "**Tenant's Building Changes**") will be subject to Landlord's prior written approval, which approval may be granted or denied in Landlord's sole discretion. Landlord will, as to any proposed Tenant's Building Change that Landlord approves, within ten (10) Business Days following receipt of Tenant's proposed changes, deliver to Tenant (a) a statement of the estimated cost of construction (the "**Building Cost**") in connection with such Tenant's Building Changes as above provided. If Tenant fails to approve in writing Landlord's submission within ten (10) Business Days following receipt thereof, the same will be deemed disapproved in all respects by Tenant, and Landlord will not make the change. If Tenant approves in writing the statement of cost, Landlord will promptly cause the Building to be modified to provide for such change. Notwithstanding the foregoing, no Tenant's Building Change shall be deemed a delay in Substantial Completion of the Landlord's Work, or result in a delay in the Commencement Date. Building Costs approved by Landlord and Tenant shall be included in the Leasehold Improvements Work and paid for as provided in Section 2.4 above.

ARTICLE IV

CONSTRUCTION OF THE LEASEHOLD IMPROVEMENTS WORK

4.1 Performance by Landlord. Landlord will cause Substantial Completion of the Leasehold Improvements Work and will be fully responsible for all matters that must be accomplished to complete the Leasehold Improvements Work in accordance with the provisions of this Addendum including, without limitation, filing plans and other required documentation with the proper Governmental Authority, securing all necessary permits (after Tenant requests Landlord to commence the permitting process), supervising all details of the Leasehold Improvements Work, and promptly removing or otherwise handling all construction and like liens from the public record. Landlord will not be responsible for specific items to be installed by a separate contractor (which may include, without limitation, the Leasehold Contractor), pursuant to a separate contract with Tenant, and not otherwise required to be installed in accordance with the Leasehold Improvement Plans.

4.2 Intentionally Blank.

4.3 Non-Liability of Tenant. Subject to the terms and conditions of Sections 4.6 and 4.7 of this Addendum, Tenant will not be liable for any injury, loss, or damage to any person (including, but not limited to, death) or property on or about the Premises during construction of the Leasehold Improvements Work, unless caused by a negligent act or omission of Tenant, its employees, agents acting within the scope of their employment by Tenant.

4.4 Non-Liability of Landlord. Subject to the terms and conditions of Sections 4.6 and 4.7 of this Addendum, Landlord will not be liable for any injury, loss, or damage to any person (including, but not limited to, death) or property on or about the Premises during construction of the Leasehold Improvements Work, unless caused by Landlord, its employees, agents, or contractors.

4.5 Intentionally Blank.

4.6 General Access. Landlord will afford Tenant, its employees, and its representatives regular access during Normal Business Hours to the Building Land and the Building, all materials thereon and therein, and all work being performed thereon and therein solely for inspection purposes or other purposes expressly provided by this Addendum; provided, however, that in exercising such right of access, Tenant and its employees and representatives will comply with all Governmental Requirements (including, but not limited to, OSHA safety regulations and standards) and will coordinate such access with Landlord. Tenant shall be accompanied by a representative of Landlord except during periods in which Tenant, its contractors, employees and representatives are engaged in the installation of the Leasehold Improvements Work, Tenant's equipment and other property as provided in this Section. Prior to any work being performed by Tenant or any separate Tenant's contractor, Tenant shall provide to Landlord certificates of insurance evidencing that Tenant has the required general liability insurance required of Tenant under the Lease, as well as certificates of insurance in forms and in amounts satisfactory to Landlord evidencing that each Tenant's contractor has in effect (and shall maintain at all times during the course of the work hereunder) workers' compensation insurance to cover full liability under workers' compensation laws of the State of Florida with employers' liability coverage and commercial general liability and builder's risk insurance for the hazards of operations, independent contractors, products and completed operations.

4.7 Responsibility of Landlord. Tenant's approval of any design for the Leasehold Improvements will in no manner or respect constitute a verification, confirmation or validation of the

propriety, compliance with Governmental Requirements, safety, or function of any such design or construction.

4.8 Designated Representatives. Landlord and Tenant each hereby appoint a representative (each, a "**Designated Representative**"), and in the event that a Designated Representative is unavailable for any reason whatsoever, an alternative representative (each, an "**Alternative Representative**"), to make timely binding decisions on design, development and construction matters (including pricing and scheduling changes) relating to the Leasehold Improvements. The Designated Representatives are:

Landlord	James L. Zboril
Tenant	William Edward Martin, Jr. Director, Facilities Planning and Construction

The Alternative Representatives are:

Landlord	John Pottinger
Tenant	Priscilla Lee Kernek Associate Vice President, Facilities and Safety

At any time and from time to time hereafter, Landlord and Tenant will each have the right to appoint a successor or substitute Designated Representative and/or Alternative Representative to act on behalf of such party, each such appointment to be effected by delivering five (5) days' prior written notice to the other party hereto in accordance with the notice provisions of the Lease. Any action which may be taken by a Designated Representative may also be taken by an Alternative Representative and any party may rely thereon as if such action had been taken by the Designated Representative and such party will have no duty to inquire why the Designated Representative was unavailable to act. All notices shall be in writing.

ARTICLE V

COST OBLIGATIONS

5.1 Landlord's Cost. Except as otherwise specifically provided in Section 5.2 below, Landlord will be liable and obligated to pay for all costs of preparation of the Base Building Plans and all costs of developing and constructing the Base Building, including, but not limited to, all permit costs, impact fees, architectural and engineering fees, and costs for labor and materials.

5.2 Tenant's Cost. Tenant will be liable for and obligated to pay the cost, as and when due, of preparing the Space Plans. Landlord will pay for the Leasehold Improvement Plans, which cost will be charged against the Tenant Improvement Allowance. If Tenant owes any amounts to Landlord under the Lease or this Addendum, then the same shall be paid in a lump sum payment due within the times established in Section 3.3 of this Addendum or as otherwise may be expressly provided in the other sections of this Addendum provided however, that interest shall accrue thereon at an interest rate of the Stipulated Rate, commencing on the date of payment by Landlord of such excess amounts. All of the foregoing amounts referred to above in this Section 5.2 that Tenant is obligated to pay are herein collectively referred to as the "**Tenant's Cost**." Any amounts that are due to Landlord under this Section 5.2 and that are not paid as and when due pursuant to the terms hereof, shall accrue interest at the Stipulated Rate.

ARTICLE VI

TIME

6.1 Time. Time is of the essence with respect to all obligations and provisions contained in this Addendum.

ARTICLE VII

INTENTIONALLY BLANK

ARTICLE VIII

LANDLORD INSURANCE OBLIGATIONS

8.1 Leasehold Contractor Insurance. Landlord will obtain and maintain or will require the Leasehold Contractor to obtain and maintain, from the date hereof until the date of completion of the Leasehold Improvements Work, insurance such as builder's risk insurance, automobile liability insurance and/or commercial general liability insurance against liability for bodily injury and death and property damage, in reasonable and customary amounts and forms (at least \$3,000,000 general aggregate). Landlord will also provide or cause to be provided and kept in force workers' compensation coverage with statutory benefits covering employees of the Leasehold Contractor and any other subcontractor of Landlord or the Leasehold Contractor. Landlord will deliver to Tenant, promptly as same are issued, true and complete copies or certificates of all policies of insurance, together with all subsequent endorsements thereto, as are required to be obtained and maintained by Landlord pursuant to the terms hereof. In addition, the Leasehold Contractor shall carry products and completed operations insurance coverage (for at least one (1) year after the date of acceptance of the Leasehold Improvements Work by Landlord and Tenant); and contractual liability specifically covering the indemnification provision in the construction contract. The commercial general liability insurance is to include broad form property damage and afford coverage for explosion, collapse and underground hazards, and "personal injury" liability insurance and an endorsement providing that the insurance afforded under the contractor's policy is primary insurance as respects Landlord and Tenant and that any other insurance maintained by Landlord or Tenant is excess and non-contributing with the insurance required hereunder, provided that such insurance may be written through primary or umbrella insurance policies with policy limits required herein.

8.2 Leasehold Improvement Architect's Insurance. Landlord shall have the right, at no cost to Landlord or Tenant, to cause the Leasehold Improvement Architect and any other contractors or subcontractors performing work in the Building, to carry liability (including, with respect to the Leasehold Improvement Architect, professional liability insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate) and other insurance as to contractors, all as is described in Section 8.1 of this Addendum and naming Landlord as an additional insured thereunder

ARTICLE IX

DISPUTE RESOLUTION

In the event of any dispute as to the Leasehold Improvement Plans or the Leasehold Improvements Work, which is not mutually resolved by the parties working together in good faith within ten (10) Business Days after the date for which the related consent or approval is required hereunder, then the parties hereto shall each act reasonably to attempt to together select one (1) expert to resolve such dispute (the "Expert"). If the parties hereto cannot mutually agree upon the Expert within five (5) Business Days after written

request from one party hereto to the other, then within five (5) days after the expiration of such period, Tenant and Landlord shall each select their own expert. Such experts shall then select the Expert by no later than ten (10) days after the expiration of such five (5) day period and the Expert shall render a decision within twenty (20) days thereafter, unless such time frame is mutually extended by Tenant and Landlord. If the two (2) experts chosen by Tenant and Landlord fail to choose an Expert within the time frames set forth above or if an Expert is chosen, but does not render a decision within the twenty (20) day period, then either: (a) Landlord and Tenant may elect to extend the time for such experts to select the Expert or for the Expert to render a decision, as applicable; or (b) Landlord or Tenant may elect to select new experts by delivering written notice of such election to the other party, whereupon each party hereto shall select an expert within ten (10) days thereafter and such experts shall then select the Expert in accordance with the provisions and time frames of this Section. The provisions of the immediately preceding sentence shall apply until an Expert is chosen. The decision of the Expert shall be binding upon Landlord and Tenant.

The Expert and each expert chosen by Landlord and Tenant to choose the Expert, if applicable, pursuant to this section, shall be a licensed architect with at least ten (10) years' experience in the State of Florida with respect to projects similar to the development contemplated by this Addendum. All fees, costs and expenses incurred in connection with obtaining and hiring the Expert shall be shared equally by Tenant and Landlord; however, Tenant and Landlord shall each bear their own attorneys' fees incurred with respect to this procedure and for the costs of retaining each expert, if applicable, upon failure to choose the Expert together.

If the Dispute Resolution process described above is not completed within six (6) months of the first written notice from one party to the other specifying the dispute, and such delay is not the resulting of the wrongful acts or omissions of the terminating party, then in such event either party may by written notice to the other party terminate the dispute resolution process described in this Article IX, and in such event either party may thereafter proceed by legal action to resolve the dispute.

ARTICLE X

WARRANTY OF CONSTRUCTION

Notwithstanding anything to the contrary contained in the Lease or this Addendum, for the first (1st) year after the Commencement Date as to the Landlord's Work and for the first (1st) year after Substantial Completion of the Leasehold Improvements Work (as applicable), Landlord hereby provides a warranty in favor of Tenant to repair or replace (if needed) any material defect in the Landlord's Work or the Leasehold Improvements Work (excluding design defects as to the Leasehold Improvements Work), so long as the need for such repair or replacement is not caused by the negligence or willful misconduct of Tenant or its agents, employees, or contractors. The warranty contained herein is not intended to reduce Landlord's repair and maintenance obligations expressly set forth in the Lease. Landlord shall require Landlord's Leasehold Contractor to warrant and assume obligation with respect to the proper construction of the Leasehold Improvements on commercially reasonable terms and for a commercially reasonable period of time. With the exception of the foregoing warranty in this Article X or such other remedies as are expressly set forth herein, Tenant shall have no other remedies or recourse against Landlord with respect to the Landlord's Work and the Leasehold Improvements work except such arising due to the gross negligence or willful misconduct of Landlord, and in such event Tenant's remedies shall be further subject to the provisions and limitations related to Tenant's remedies set forth in Section 24 of this Lease.

ARTICLE XI

MONITORING OF PROGRESS; AS-BUILT PLANS

11.1 Tenant will have the right to monitor and inspect the Landlord's Work and the Leasehold Improvements Work as it progresses pursuant to the terms and conditions of Section 4.5 hereof.

11.2 Within sixty (60) days following Substantial Completion of the Leasehold Improvements Work, Landlord shall deliver to Tenant three (3) complete copies of as-built drawings and specifications of the Leasehold Improvements Work, in full size sheets, or in electronic format. The cost of generating such as-built drawings and specifications shall be deducted from the Tenant Improvement Allowance.

ARTICLE XII

CONSTRUCTION MANAGEMENT FEE

In exchange for the construction management services provided by Landlord pursuant to this Construction Addendum Tenant shall pay to Landlord a construction management fee (the "**Construction Management Fee**") of \$50,000.00. Such Construction Management Fee shall be paid upon Substantial Completion of the Leasehold Improvement Work, and shall be deducted from and paid to Landlord from the Tenant Improvement Allowance. In addition to the Construction Management Fee, Landlord shall also be entitled to be reimbursed for its reasonable and customary costs and expenses incurred in the interest of the Leasehold Improvements Work. Such expenses shall include, but not be limited to: expenses of transportation in connection with the Leasehold Improvements Work, long-distance communications, fees paid for securing approval of authorities having jurisdictions over the Leasehold Improvements Work (including but not limited to all permit and impact fees), the cost of reproductions, postage, express deliveries, electronic facsimile transmissions, and costs for the handling of drawings, specifications and other construction documents.

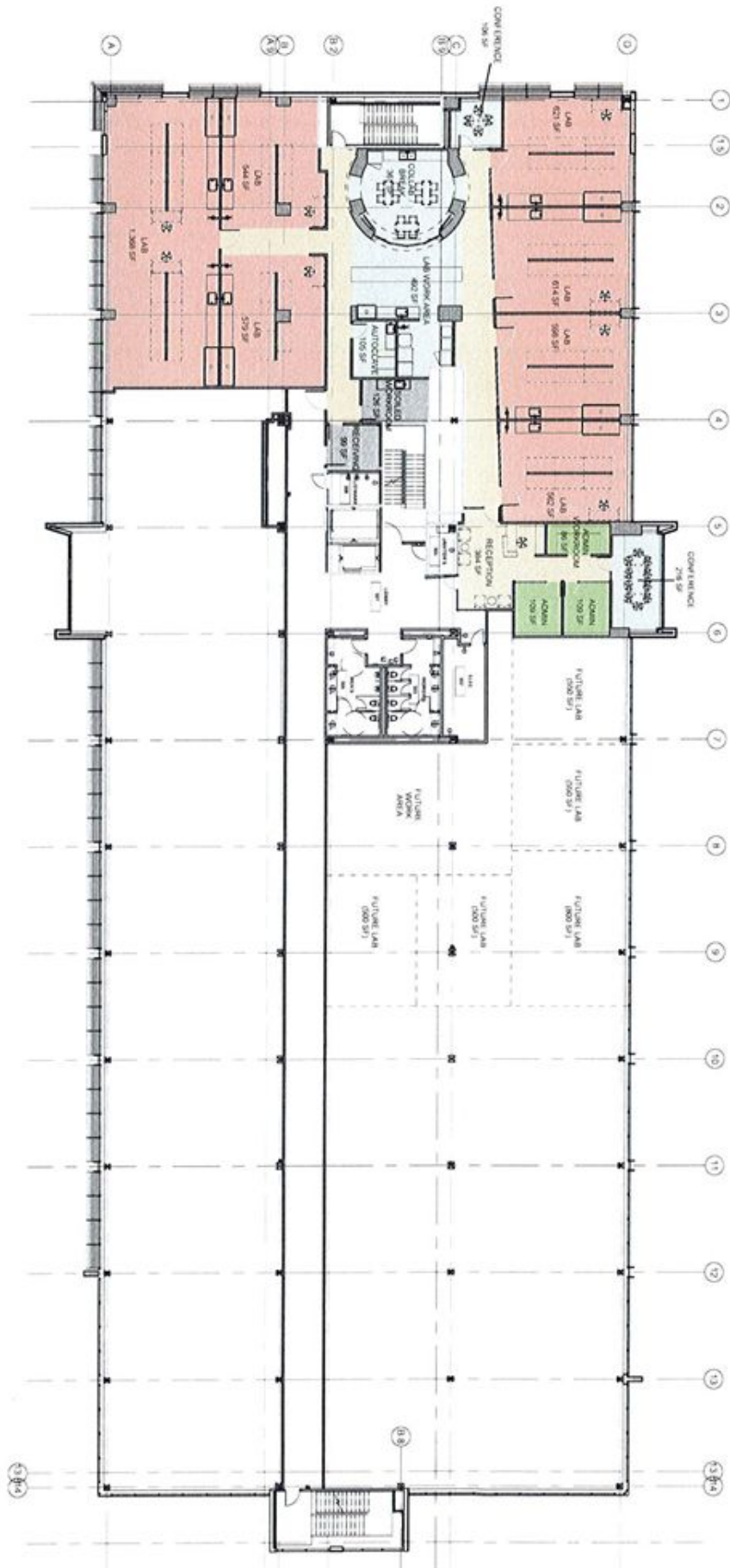
Exhibit D-1

Space Plans

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D-60-11

UCF INCUBATOR LAB | ORLANDO, FLORIDA



SECOND FLOOR PLAN



EXHIBIT "E"
RULES AND REGULATIONS

1. Landlord may from time to time in its reasonable judgment adopt appropriate systems and procedures for the security or safety of the Building, any persons occupying, using, or entering the same, or any equipment, furnishings, or contents thereof, and Tenant shall comply with the Landlord's reasonable requirements relative thereto.

2. Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve, or distribute foods or beverages in the Common Areas.

3. Except in connection with the Use as defined in the Lease to which this Exhibit is attached, Tenant shall not install or operate any machinery or apparatus other than usual business machines (including, without limitation, computers, printers, fax machines and kitchen appliances) without specific written approval of Landlord. Installation and or use of any radiological or imaging equipment that is not in connection with the Use as defined in the Lease to which this Exhibit is attached shall require Landlord's prior approval.

4. No additional locks or similar devices shall be placed upon doors of the Premises and no locks shall be changed except with written consent of Landlord. Upon termination of the Lease, Tenant shall surrender to Landlord all keys to the Premises. Such consent of Landlord shall not be unreasonably withheld.

5. Tenant shall be permitted to move furniture and office furnishings and other Tenant's Property into or out of the Building at Tenant's own risk only at such times and in such a manner designated by Landlord so as to cause the least inconvenience of other tenants. It shall be the obligation of Tenant to repair, at no expense to Landlord, any damage to the Premises or Building caused by Tenant or its agents during moving.

6. Window coverings other than the type designated by Landlord as Building standard, either inside or outside the windows, may not be installed without Landlord's prior written consent and must be furnished, installed and maintained at the expense of Tenant (but payable out of the Tenant Improvement Allowance) and at Tenant's risk, and must be of such shape, color, material, quality and design as may be prescribed by Landlord, subject to applicable environmental health and safety recommendations and requirements.

7. If Tenant desires additional telegraphic or telephonic connections, or the installation of any other electrical wiring, Landlord will, upon receiving a written request from Tenant and at Tenant's expense, direct the electricians as to where and how the wires are to be introduced and run, and without such direction, no boring, cutting or installation of wires will be permitted.

8. The sidewalks, entrances, passages, courts, corridors, vestibules, halls, stairways and elevators in or about the Premises and Building shall not be obstructed or used for storage or for any purpose other than ingress and egress by Tenant or its invitees.

9. The Premises' ventilation system shall be isolated, separated within the Building from other tenants' ventilations system(s). Tenant shall not create or maintain a nuisance in the Premises nor make or permit any noise or odor or use or operate any electrical or electronic devices that emit loud sounds, air waves, or odors, that are reasonably objectionable to other tenants of this Building or any adjoining

building or premises; nor shall the Premises be used for lodging or sleeping nor any immoral or illegal purpose that will violate any law, damage the Premises, or injure the reputation of the Building.

10. Landlord reserves the right at all times to exclude news delivery persons, loiterers, vendors, solicitors and peddlers from the Building and Building Land as deemed necessary and to require registration, satisfactory identification and credentials from all persons seeking access to any part of the Building or Project. Landlord shall exercise its best judgment in executing such control but shall not be held liable for granting or refusing such access.

11. No animals, pets, bicycles or skateboards or other vehicles shall be brought or permitted to be in the Premises or Building, other than service animals, and other than fish in a fish tank, the size of which shall be subject to Landlord's reasonable approval.

12. Tenant shall cooperate fully with Landlord to assure the most effective and efficient operation of the Building and the use of utilities. Tenant shall not adjust any common controls other than room thermostats installed for specific use. Tenant shall not tie, wedge, or otherwise fasten open any water faucet or outlet. Tenant shall keep all common corridor doors (if any) closed.

13. Except to the extent expressly provided in the Lease, Landlord shall not assume responsibility for protecting the Premises from theft, robbery, pilferage and other crimes.

14. Tenant shall not knowingly overload any floor and shall not install any heavy objects (i.e. objects creating weight loads in excess of one hundred (100) pounds per square foot, safes, business machines, equipment, files or other equipment without having received Landlord's prior written consent as to size, maximum weight, routing and location thereof. Safes, furniture, equipment, machines and other large or bulky, articles shall be brought through the Building and into and out of the Premises at such times and in such manner as Landlord shall direct (including but not limited to required use of the service elevator) and at Tenant's sole risk and responsibility.

15. Tenant shall not use more electrical current from individual or collective circuits as is designated by the amperage rating of said circuits at the circuit breaker panels for Tenant's Premises. Should Tenant exceed the safe capacity as designed and as stated on the circuit breakers for said circuits then Tenant shall bear the entire expense of modifications to adjust or increase the amperage for Tenant's safe and proper electrical consumption. Landlord's consent to such modifications to the electrical system shall not relieve Tenant from the obligation not to use more electricity than such safe capacity.

16. Tenant, its employees, its invitees and guests shall not smoke in the Premises, Building or any Common Areas. Landlord shall make commercially reasonable efforts to enforce a similar restriction upon smoking by all parties while they are at or within the Building or the Common Area.

17. Tenant shall be responsible for any property damage including stoppage caused by failure to use the apparatus as instructed or for the purpose constructed done to any Common Area including but not limited to restrooms, elevators, stairways, hallways, lobby, sidewalks, parking lots, landscape areas caused by Tenant, its licensees, guests, agents, contractors or invitees negligent act or omission occurring within the scope of employment by Tenant.

18. Landlord reserves the right to establish reasonable rules and regulations which shall govern the access, activity, conduct and set specific rules and regulations with respect to contractors, subcontractors, agents or consultants that conduct activities in the Building, Premises and or Building Land.

19. Landlord reserves the right to make such further reasonable rules and regulations as in its judgment may from time to time be necessary for the safety, care and cleanliness of the Premises and the preservation of good order therein. Any additional rules and regulations promulgated by Landlord and provided to Tenant shall be binding upon the parties hereto with the same force and effect as if they had been inserted herein at the time of execution hereof. Tenant shall be responsible for the observance of all of the foregoing rules and regulations by Tenant's employees, agents, clients, customers, invitees and guests. Landlord shall not be responsible for any violation of the foregoing rules and regulations by other tenants of the Building, except as otherwise set forth herein.

20. Tenant shall not conduct or permit any auctions or sales at the Premises or Project.

In the case of any conflict between the provisions of the Lease and these Rules and Regulations, the provisions of the Lease shall control.

EXHIBIT "F"

PARKING PROVISIONS

1. As provided in the Lease, Landlord shall provide Tenant with access to and non-exclusive use of the parking field at the Project by Tenant, its employees, invitees and guests.
2. There shall be no parking charge for Tenant's employees and visitors.
3. Tenant shall at all times comply with all applicable Governmental Requirements respecting the use of the parking field.
4. Landlord reserves the right to adopt, modify and enforce reasonable rules governing the use of the parking field from time to time not in conflict with the Lease, including any key-card, sticker or other identification or entrance system (collectively, the "**Parking Rules**"), and Tenant agrees to comply with and be bound by such Parking Rules in effect from time to time. Landlord may refuse to permit any person who violates such Parking Rules to park in the parking field, and any violation of the Parking Rules shall subject the car to removal from the parking field at the car owner's expense.
5. The parking spaces in the parking field shall be provided on an unreserved "first-come, first-served" basis, subject to Landlord's right to reasonably designate certain reserved parking spaces for Building tenants in Landlord's sole discretion.
6. Landlord also reserves the right to close all or any portion of the parking field in order to make repairs or perform maintenance services, or to alter, modify, re-stripe or renovate the parking field, or if required by events described in Section 53 of the Lease. Landlord will provide Tenant with advance written notice of any such actions by Landlord (except if caused by events described in Section 53 of the Lease, in which case Landlord will notify Tenant as soon as reasonably possible thereafter). Landlord will exercise its rights under this paragraph in such a manner so as to minimize interference with Tenant's access to and use of the parking field, to the extent possible under the circumstances.
7. Landlord reserves the right, without any obligation, to provide valet parking service to the Building and Project, but Tenant shall not be obligated to use such valet parking service.

EXHIBIT "G"**LAB OPERATIONS REQUIREMENTS AND LIMITATIONS**

Capitalized terms used but not defined herein shall have the meaning set forth in the Lease to which it is attached. The terms of this **Exhibit "G"** are intended to supplement, complement, and be in addition to, rather than in lieu of, any of the other provisions in the Lease; provided, however, in the event of any conflict between the terms and provisions set forth herein and the terms and provisions of the Lease (including any other exhibits or attachments thereto), the terms and provisions of this **Exhibit "G"** shall control and be interpreted in such a manner as to override any provision of the Lease which would prevent the intent of the terms and provisions of this **Exhibit "G"** from being given full force and effect.

1. **Hazardous Substances in Laboratory Operations.**

1.1. **Operational Requirements Generally.** Landlord acknowledges that it is not the intent of Section 56.C of the Lease to prohibit Tenant from using the Premises for the Use. Tenant may operate and use the Premises according to the customs and standards of life sciences business incubator facilities generally, so long as the use or presence of Hazardous Substances is strictly and properly monitored in accordance with Governmental Requirements. Tenant acknowledges that areas of the Building may be used for a restaurant, food service, and other non-laboratory uses, and Tenant covenants to use best industry practices in the conduct of all laboratory operations and the storage, use, treatment, and disposal of Hazardous Substances at the Premises. In all events Tenant shall comply with all applicable provisions of the standards of the U.S. Department of Health and Human Services as further described in the USDHHS publication *Biosafety in Microbiological and Biomedical Laboratories* (5th Edition, December 2009) as it may be further revised, or such nationally recognized new or replacement standards as may be reasonably selected by Landlord. Any Hazardous Substances permitted to be stored on the Premises pursuant to the Lease shall be stored in areas of the Premises exclusively designated by Tenant for such purpose. Tenant agrees to pay the reasonable cost of any environmental inspection or assessment required by any governmental agencies, mortgagees of the Project, or by any insurance carrier, to the extent that such inspection or assessment pertains to any release, threat of release, contamination, claim of contamination, loss or damage in the Premises arising out of Tenant's use and occupancy thereof.

1.2. **Information Regarding Hazardous Substances.** As a material inducement to Landlord to allow Tenant to use Hazardous Substances in connection with its operations at the Premises, Tenant shall provide the following information and documentation to Landlord in writing prior to the Commencement Date and thereafter shall update such information and documentation as specifically described below, which updates shall reflect any material changes in such information and documentation:

(a) An inventory of all Hazardous Substances that Tenant receives, uses, handles, generates, transports, stores, treats, or disposes of from time to time, or at the time of preparation of such inventory proposes or expects to use, handle, generate, transport, store, treat, or dispose of from time to time, in connection with its operations at the Premises. Such inventory shall include, but shall separately identify, any: (i) any waste listed as or meeting the identified characteristics of a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under any applicable Environmental Laws; (ii) any and all substances and materials defined or referred to as a "medical waste," "biological waste," "biomedical waste," "biohazardous waste," "biohazardous material," or any other term of similar import under any Environmental Laws (including, without limitation, Section 381.0098, Florida Statutes, and any regulations promulgated thereunder, as amended from time to time) (collectively, "**Biohazardous Materials**"); or (iii) any and all substances and materials the receipt, storage, use, generation, release, transportation, treatment, or disposal of which requires an approval, consent, permit, or license from the Nuclear Regulatory Commission, and any and all other substances and materials defined or referred to as

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"radiation," a "radioactive material," or "radioactive waste," or any other term of similar import under any applicable Governmental Requirements (including, without limitation, any statutes, regulations, or other laws administered, enforced, or promulgated by the Nuclear Regulatory Commission). Such inventory shall include, for each type of Hazardous Substance listed: (1) the chemical name; (2) the material state (e.g., solid, liquid, gas, or cryogen); (3) the concentration levels; (4) the storage amount and storage condition (e.g., in cabinets or not in cabinets); (5) the use amount and use condition (e.g., open use or closed use); (6) the location (e.g., room number or other identification); and (7) if known, the chemical abstract service number. If such inventory includes any Biohazardous Materials, Tenant shall also disclose in writing to Landlord the Biosafety Level designation associated with the use of such materials. Such inventory shall be updated annually, in January of each calendar year.

(b) Copies of all then existing permits, licenses, registrations, and other similar documents issued by any governmental or quasi-governmental authority that authorize any receipt, storage, use, generation, release, transportation, treatment, or disposal of Hazardous Substances in, on, or about the Premises or the Project by any Tenant Party. Such information shall be updated annually in January of each calendar year.

(c) All Material Safety Data Sheets ("MSDSs"), if any, required to be completed with respect to operations of Tenant at the Premises from time to time in accordance with 42 U.S.C. Section 11021, or any amendments thereto, and any Hazardous Substances Inventory Sheets that detail the MSDSs. Such information shall be updated annually upon Landlord's written request.

(d) All hazardous waste manifests, if any, that Tenant is required to complete from time to time in connection with its operations at the Premises. Such information shall be updated from time to time upon Landlord's written request.

(e) Copies of any other lists, reports, studies, or inventories of Hazardous Substances or of any subcategories of materials included in Hazardous Substances that Tenant is otherwise required to prepare and file from time to time with any governmental or quasi-governmental authority in connection with Tenant's operations at the Premises (including, without limitation, reports filed by Tenant with the Federal Food & Drug Administration or any other regulatory authorities primarily in connection with the presence (or lack thereof) of any "select agents" or other Biohazardous Materials on the Premises), together with proof of filing thereof as available (which proof may be provided in the form of receipt or proof of signature provided by an overnight shipper unless other formal proof of filing from the receiving party is readily available). Such information shall be updated from time to time upon Landlord's written request.

(f) Any other information reasonably requested by Landlord in writing from time to time in connection with: (i) Landlord's monitoring (in Landlord's reasonable discretion) and enforcement of Tenant's obligations under this Section and of compliance with applicable Governmental Requirements in connection with any receipt, storage, use, generation, release, transportation, treatment, or disposal of Hazardous Substances in the Premises or Building or on or about the Project by any Tenant Party; (ii) any inspections or enforcement actions by any Governmental Authority pursuant to any Environmental Laws or any other Governmental Requirements relating to the presence or receipt, storage, use, generation, release, transportation, treatment, or disposal of Hazardous Substances in the Premises or Building or on or about the Project by any Tenant Party; and (iii) Landlord's preparation (in Landlord's discretion) and enforcement of any reasonable rules and procedures relating to the presence or receipt, storage, use, generation, release, transportation, treatment, or disposal by Tenant or any Tenant Party of Hazardous Substances in the Premises or Building or on or about the Project, including (but not limited to) any contingency plans or emergency response plans. Such information shall be updated from time to time upon Landlord's written request.

1.3. Rights Related to Enforcement Actions. Notwithstanding the provisions of Section 23 of the Lease, if (i) Tenant or any proposed transferee, assignee, or sublessee of Tenant has been required by any prior landlord, lender, or Governmental Authority to take material remedial action in connection with Hazardous Substances contaminating a property if the contamination resulted from such party's action or omission or use of the property in question; or (ii) Tenant or any proposed transferee, assignee, or sublessee is subject to a material enforcement order issued by any Governmental Authority in connection with the use, disposal, or storage of Hazardous Substances, then Landlord shall have the right to terminate the Lease in Landlord's sole and absolute discretion (with respect to any such matter involving Tenant), and it shall not be unreasonable for Landlord to withhold its consent to any proposed transfer, assignment, or subletting (with respect to any such matter involving a proposed transferee, assignee, or sublessee).

1.4. Landlord's Testing Rights. At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Project or any portion thereof to demonstrate that Hazardous Substances are present or that contamination has occurred due to the acts or omissions of a Tenant Party. Tenant shall pay all reasonable costs of such tests if such tests reveal that Hazardous Substances exist at the Project in violation of the Lease.

1.5. Storage Tanks. If underground or other storage tanks storing Hazardous Substances installed or utilized by Tenant are located on the Premises, or are hereafter placed on the Premises by Tenant (or by any other party, if such storage tanks are utilized by Tenant), then Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Governmental Requirements. Tenant shall have no responsibility or liability for underground or other storage tanks installed by anyone other than Tenant unless Tenant utilizes such tanks, in which case Tenant's responsibility for such tanks shall be as set forth in this Section.

1.6. Laboratory Decommissioning. Prior to the expiration or earlier termination of the Term, Tenant shall clean and otherwise decontaminate and decommission all interior surfaces (including floors, walls, ceilings, and counters); piping, supply lines, waste lines, and plumbing in or serving the Premises; and all exhaust or other ductwork in or serving the Premises, in each case that has carried, released, or otherwise been exposed to any Hazardous Substances, and shall otherwise clean the Premises so as to permit the report hereinafter called for by this Exhibit "G" to be issued. Not later than thirty (30) days after the expiration or earlier termination of the Term, Tenant, at Tenant's expense, shall obtain for Landlord a report addressed to Landlord (and, at Tenant's election, Tenant) by a reputable, licensed environmental engineer or industrial hygienist that is designated by Tenant and acceptable to Landlord in Landlord's reasonable discretion, which report shall be based on such environmental engineer's or industrial hygienist's inspection of the Premises and shall state, to Landlord's reasonable satisfaction, that: (i) the Hazardous Substances, to the extent existing prior to such decontamination and decommissioning, have been removed in accordance with Legal Requirements and best industry practices, including, without limitation, the applicable standards of the American National Standards Institute including ANSI standard BSR/AIHA Z9.11-2008 governing laboratory decontamination and decommissioning (the "**Laboratory Decommissioning Standard**"); (ii) all Hazardous Substances, if any, have been removed in accordance with applicable Legal Requirements and best industry practice including, without limitation, the Laboratory Decommissioning Standard, from the interior surfaces of the Premises (including floors, walls, ceilings, and counters), piping, supply lines, waste lines and plumbing, and all such exhaust or other ductwork in the Premises may be reused by Landlord in compliance with Legal Requirements without incurring special costs on account of such Hazardous Substances or undertaking special procedures for demolition, disposal, investigation, assessment, cleaning, or removal of such Hazardous Substances and without giving notice to any Governmental Authorities in connection with such Hazardous Substances; and (iii) the Premises may be reoccupied for office or laboratory use, demolished or renovated without incurring special costs on account of such Hazardous Substances or undertaking special procedures for disposal, investigation, assessment,

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cleaning, or removal of Hazardous Substances and without giving notice to any Governmental Authorities in connection with Hazardous Substances. Further, for purposes of this Exhibit "G," "special costs" or "special procedures" means costs or procedures, as the case may be, that would not be incurred but for the nature of the substances as Hazardous Substances as distinguished from non-Hazardous Substances. The report shall also include reasonable detail concerning the clean-up measures taken, the clean-up locations, the tests run, and the analytic results. The obligation to provide said report shall survive the termination or expiration of this Lease.

1.7. Landlord Cure Right. If Tenant fails to perform its obligations under this Section 1 of this Exhibit "G," then without limiting any other right or remedy, Landlord may, on five (5) Business Days' prior written notice to Tenant, perform such obligations at Tenant's expense, and Tenant shall within ten (10) days following demand reimburse Landlord for all reasonable out-of-pocket costs and expenses incurred by Landlord in connection with such work.

1.8. Remediation. if the presence of any Hazardous Substances in, on, under, or about the Project, any portion thereof, or any adjacent property caused or permitted by any Tenant Party results in any contamination of the Project, any portion thereof, or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Project, any portion thereof or any adjacent property to its respective condition existing prior to the time of such contamination; provided, however, that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Project, any portion thereof, or any adjacent property.

2. Odors and Exhaust. Tenant acknowledges that Landlord would not enter into this Lease with Tenant unless Tenant gave Landlord reasonable assurances that other occupants of the Building or the Project (including persons legally present in any outdoor areas of the Project) will not be subjected to an Odor Nuisance (as defined below) and that the Building and the Project will not be damaged by any exhaust, in each case from Tenant's operations in the Premises. Landlord and Tenant acknowledge, however, that the nature of the Use may result in certain odors and fumes, which will be abated in accordance with this Section 2. Landlord and Tenant therefore agree as follows:

2.1. Tenant shall not knowingly cause or conduct any activities that would cause an Odor Nuisance. For purposes hereof, an "**Odor Nuisance**" means any release of any offensive or noxious odors or fumes from the Premises, which release either creates a nuisance or materially and adversely impacts any portion of the Building, the Project, or the use of any portion of the Building or Project by Landlord or other tenants.

2.2. Ventilation equipment for the Premises shall be designed and constructed as part of the Leasehold Improvements. Such ventilation equipment shall be designed in compliance with Revised ANSI/ASSE Z9.5-2012, Standard for Laboratory Ventilation, and otherwise as necessary to be adequate, suitable, and appropriate to vent the Premises in a manner that will prevent an Odor Nuisance, and Tenant shall vent the Premises through such system. If an Odor Nuisance exists at any time, Tenant shall, in compliance with Governmental Requirements, make any changes to the ventilation system which Tenant determines are necessary to abate the Odor Nuisance. The placement and configuration of all ventilation exhaust pipes, louvers, fume hoods, and other equipment to be installed by Tenant shall be subject to Landlord's approval.

2.3. Tenant acknowledges Landlord's legitimate desire to maintain the Project (including both its indoor and outdoor areas) in a manner reasonably free of any Odor Nuisance and Landlord may require

Tenant to abate any such Odor Nuisance in a reasonable manner that goes beyond the requirements of Governmental Requirements in accordance with Section 2.6 below.

2.4. If at any time during the Term Landlord receives complaints from other tenants or occupants of the Building or Project of an Odor Nuisance, Landlord and Tenant will cooperate promptly and reasonably in order to satisfactorily resolve any odor issues. In such event, Tenant shall, to the extent permitted by law, at Tenant's cost and expense, use commercially reasonable efforts to install odor eliminators and other devices (such as filters, air cleaners, scrubbers, and similar equipment) to remove, eliminate, and abate any Odor Nuisance.

2.5. Tenant's responsibility to remove, eliminate, and abate any Odor Nuisance shall continue throughout the Term. Landlord's approval of the Leasehold Improvements shall not preclude Landlord from requiring additional measures to eliminate any Odor Nuisance.

2.6. If after Tenant has implemented measures pursuant to Section 2.3 and if such measures have failed to abate the Odor Nuisance, then Landlord shall notify Tenant what additional measures Landlord requests Tenant to undertake to abate the Odor Nuisance. If Tenant fails to take such measures or otherwise abate the Odor Nuisance within ten (10) Business Days after Landlord has notified Tenant of the requested measures (the "**Odor Cure Period**"), then, Landlord may, without limiting Landlord's other rights and remedies and upon twenty-four (24) hours' notice to Tenant, purchase and install such odor control equipment within the Premises or other areas of the Building as are contained in Landlord's prior notice; provided that such corrective work will be completed in, on, or to the ventilation system. Notwithstanding the foregoing, if Tenant's installation of requested odor control equipment cannot be completed within the Odor Cure Period as a result of order lead time for items such as filters, air cleaners, scrubbers, and similar equipment, then Landlord shall not purchase and install odor control equipment in accordance with this Section so long as Tenant has ordered the lead time items within the Odor Cure Period and thereafter diligently prosecutes the installation of such equipment to completion.

3. Limitations on Landlord's Services. Notwithstanding any other provision of this Lease, Landlord, for itself and its employees, agents, and contractors, reserves the right to refuse to perform any repairs or services in any portion of the Premises which, pursuant to Tenant's routine safety guidelines, practices or custom, or prudent industry practices, require any form of protective clothing or equipment other than safety glasses. In any such case, Tenant shall contract with parties acceptable to Landlord, in Landlord's reasonable discretion, for all such repairs and services, and Landlord shall, to the extent required, equitably adjust Tenant's Proportionate Share of the Operating Costs in respect of such repairs or services to reflect that Landlord is not providing such repairs or services to Tenant.

4. Insurance and Waiver of Claims.

4.1. In addition to those coverages required to be maintained by Tenant pursuant to Section 26 of the Lease, Tenant shall, at its expense, at all times during the Term hereof, carry pollution and environmental liability insurance covering the environmental risks of Tenant's business and use of the Premises with limits of not less than One Million Dollars (\$1,000,000) per incident and not less than Five Million Dollars (\$5,000,000) in the aggregate, with respect to environmental contamination and pollution of the Premises caused by Tenant. Such environmental coverage shall include bodily injury, sickness, disease, death, or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges, and expenses incurred in the investigation, adjustment, or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids

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or gases, waste materials or other irritants, contaminants, or pollutants into or upon land, the atmosphere, or any watercourse or body of water.

EXHIBIT "H"

CLIENT SUBLEASE STANDARDS

1. Each Client sublease shall be upon the form attached hereto as **Exhibit H-1** and shall include the addendum attached to that form as Exhibit "D".
2. Any Client sublease entered into by Tenant on a form other than **Exhibit H-1** or not including the aforementioned Exhibit "D", or the modification of any such sublease or Exhibit "D" without the consent of Landlord, shall be a default of Tenant under this Lease.

EXHIBIT "H-1"

CLIENT SUBLEASE FORM



UNIVERSITY OF CENTRAL FLORIDA
BUSINESS INCUBATION PROGRAM

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT ("Sublease") entered into this _____, by and between THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES, ("UCF") whose address for the purposes of this Sublease is 12201 Research Parkway, Suite 501, Orlando, FL. 32826 ("Landlord") and _____, a _____, whose address is _____ ("Subtenant").

WHEREAS, the State of Florida, through annual recurring state appropriations, will be funding the establishment and operation of the UCF Lake Nona Life Sciences Incubator Site on the UCF Lake Nona campus, with express dedication to economic development through support of collaborating companies;

WHEREAS, the Landlord has entered into a Lease (the "Primary Lease") with the Lake Nona Innovation Center I, LLC ("Primary Landlord") to locate the UCF Lake Nona Life Sciences Incubator Site in a portion of a building (the "Primary Premises") located at 9801 Lake Nona Road, Orlando, FL 32827 ("Building"); and

WHEREAS, Subtenant is a company collaborating with UCF, specifically as a client of the UCF business incubation program.

WITNESSETH:

1. PROPERTY SUBLEASED

(a) The Landlord, for and in consideration of the rents, covenants and agreements hereinafter specified to be paid, kept and performed by the Subtenant, hereby subleases to the Subtenant and the Subtenant hereby subleases from the Landlord the space located in the Primary Premises, at the University of of Central Florida Lake Nona Life Sciences Incubator Site, and more specifically identified as Room _____, ("Subleased Premises" or "Premises").

(b) Special Use Addendum (☐is) (☐is not) attached hereto as Exhibit "C". The Special Use Addendum is incorporated herein by reference if designated as attached hereto.

(c) Primary Lease Addendum is attached hereto as Exhibit "D", and is incorporated herein by reference.

2. USE OF PREMISES

(a) The Subtenant shall have the exclusive right to possession of the Subleased Premises during the term of this Sublease (excepting any space designated per the Special Use Addendum).

(b) Subtenant will be provided with access to the Premises through the Building, and the use and occupation by Subtenant of the Subleased Premises shall include the nonexclusive use, in common with others entitled thereto, of the Common Areas, as defined herein, and other facilities as may be designated from time to time by Landlord, subject, however, to the terms and conditions of this Sublease and the reasonable nondiscriminatory rules and regulations for the use thereof as prescribed from time to time by Landlord. Subject to the terms of this Sublease, all Common Areas shall at all times be subject to the exclusive control and management of Primary Landlord. Primary Landlord shall have the right to temporarily close all or any portion of the Common Areas to such extent as may, in the reasonable opinion of Landlord's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person or the public therein; and to close temporarily any portion thereof in connection with the completion of necessary repairs thereto, and except as otherwise expressly provided herein, Subtenant shall not be entitled to any compensation, damages, or diminution or abatement of Rent, nor shall same be deemed a constructive or actual eviction. Subject to the terms of the Primary Lease, "Common Areas" shall mean the following areas: any areas in the Building devoted to shared lobbies, hallways, elevators, rest rooms, janitorial closets, mailrooms, vending areas and other similar facilities provided for the common use or benefit of tenants generally and/or for the public located in the Building (but shall not include any such areas designated for the exclusive use or benefit of a particular tenant, including Subtenant); and those portions of the Building and adjacent land which are provided and maintained for the common use and benefit of Landlord and tenants of the Building only and employees and invitees and licensees of Landlord and such tenants; including, without limitation, all atriums, walkways, parking areas, and all streets, sidewalks and landscaped areas comprising same.

(c) The Subleased Premises shall be used and occupied only as office space, unless laboratory or other special use is specified in Special Use Addendum. However, the Subleased Premises shall not be used for medical offices or clinics. Subtenant agrees not to use or permit the use of the Subleased Premises for any purpose which is illegal, dangerous to life, limb, or property or which, in Landlord's reasonable opinion, creates a nuisance. Further, and notwithstanding any other provision herein to the contrary, Subtenant shall make no use of the Subleased Premises which violates or is prohibited by any restrictive covenant affecting the Premises. Subtenant shall not commit or suffer to be committed any waste upon the Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the Project.

(d) Subtenant agrees to maintain the Subleased Premises in good condition and repair during the term of this Sublease to the reasonable satisfaction of Landlord. In the event, that Subtenant fails to perform such maintenance, Landlord shall have the right to enter into the Subleased Premises and perform such maintenance, and Subtenant shall reimburse Landlord for the cost thereof immediately upon demand.

(e) Landlord's right of entry set forth in this Section 2(e) shall be subject to applicable federal security restriction obligations of Subtenant, if any, relative to any portion of the Premises. The Landlord shall have a right to enter the Premises, to examine the same, and to show them to prospective purchasers or lenders of the Building. Upon reasonable prior notice (except in the case of an emergency), Landlord, Landlord's agents, Primary Landlord and Primary Landlord's agents shall have the right during or outside of Normal Business Hours to enter the Premises to make such repairs, alterations, improvements or additions as required under this Lease or the Primary Lease or as Landlord may reasonably deem necessary or desirable, and upon reasonable prior notice and reasonable coordination with Tenant, Landlord shall be allowed to take all material into and upon the Premises that may be required therefore without the same constituting an eviction of Tenant in whole or in part, and the Rent reserved shall not abate while said repairs, alterations, improvements, or additions are being made unless Tenant is prevented from operating in the Premises, in which event Fixed Annual Rent and all other charges shall be proportionately abated

during said period. Upon reasonable prior notice, during the six (6) months prior to the expiration of the Term of this Sublease, Landlord may during Normal Business exhibit the Premises to prospective tenants. Landlord and its agents shall have access to the Subleased Premises at any time without prior notice in the event of an emergency.

(f) The Landlord reserves the right from time to time to make, modify, and revoke reasonable rules and regulations applicable to the Premises, which rules shall be in addition to those required under the Primary Lease. The Subtenant agrees to abide thereby. Making rules, modifications, or revocation of existing or additional rules, shall not be deemed an amendment of this Sublease; but the same shall be effective upon notice thereof to Subtenant by Landlord and the Subtenant's failure to comply therewith shall be a default under this Sublease. The initial rules and regulations are attached hereto as Exhibit "A", and further rules and regulations are available at www.regulations.ucf.edu and www.policies.ucf.edu, without limitation, including Facilities and Safety (Policy 3-100 through 3-400.1 respectively), all deemed incorporated herein by reference. Notice shall be deemed to have been provided to Subtenant by the posting of same at www.regulations.ucf.edu and/or www.policies.ucf.edu. The rules and regulations shall not be applied in a discriminatory manner to Subtenant, nor shall any of the rules and regulations be inconsistent with the rights of Subtenant under this Sublease.

3. ALTERATIONS BY SUBTENANT

(a) The Subtenant shall make no alterations in or additions to the Subleased premises without the prior written consent of the Landlord, and without providing to Landlord confirmation of Subtenant's property insurance for such improvements. All permanently affixed decorations, additions, improvements or other alterations to the Premises, except for the subtenant's property, shall, unless Landlord and subtenant agree otherwise in writing, become the property of Lake Nona Innovation Center I upon the expiration of this Sublease, and shall be surrendered with the Premises at the expiration of this Sublease. Landlord shall have the right to designate at the time of its approval of any request by Subtenant for permission to make alterations to the Premises those items for which Landlord reasonably reserves the right to require subtenant to remove upon the expiration of or sooner termination of this Sublease. Any such designation shall be in Landlord's reasonable discretion. If required by Landlord in accordance with the foregoing, any such alteration to the Premises shall be removed at Subtenant's expense upon the expiration of or sooner termination of this Sublease and Subtenant, at its expense, shall also repair any damage to the Premises caused by such removal and shall restore the affected portions of the Premises to a tenantable whole, reasonable wear and tear, casualty, condemnation and acts of nature excepted.

(b) Nothing contained in this Sublease shall be construed as a consent on the part of Landlord to subject the estate of Landlord to liability under the Construction Lien Law of the State of Florida, it being expressly understood that Landlord's estate shall not be subject to such liability. Subtenant shall strictly comply with the Construction Lien law of the State of Florida, as set forth in Chapter 713, Florida Statutes. Notwithstanding the foregoing, Subtenant, at its expense, shall cause any lien filed against Subtenant's or Landlord's or Primary Landlord's interest under this Sublease, the Premises, the Primary Premises, the Building or the Common Areas for work, services or materials contracted by Subtenant to be satisfied or transferred to bond within twenty (20) days after Subtenant's receipt of written notice of the filing of such lien. In the event that Subtenant fails to satisfy or transfer to bond such claim of lien within said twenty (20) day period, Landlord may do so and thereafter charge Subtenant as additional rent, all costs incurred by Landlord in connection with the satisfaction or transfer of such claim, including attorneys' fees through all levels of appeals plus interest thereon. In accordance with applicable laws of the State of Florida, Landlord may file in the public records of Orange County, Florida, a public notice containing a true and correct copy of this paragraph, and Subtenant hereby agrees to inform all contractors, and material suppliers performing work in or for or supplying materials to the Premises of the existence of said notice.

(c) Subtenant shall (unless otherwise directed by Landlord) prior to the end of this Sublease and at Subtenant's sole cost and expense, remove all lead or other specialty construction materials used in any radiological vaults, exam or treatment rooms in the Premises through consultants appropriately qualified and licensed to remove and dispose of any such materials and such removal and disposal shall be in compliance with all applicable Governmental Requirements.

(d) It is understood and agreed between the parties that Subtenant shall, if not in default hereunder, prior to the expiration of this Sublease or any extension thereof, subject to Section 3(a), have the right to remove from the Subleased Premises all personal property and all fixtures, machinery, equipment, appurtenances and appliances placed or installed on the Subleased Premises by Subtenant, unless otherwise agreed to in writing by the parties, provided that Subtenant restores the Sublease premises to as good a state of repair as it was prior to the removal, normal wear and tear excepted. However, Landlord shall have at all times a valid first lien for all rents or other sums of money due or to become due hereunder from the Subtenant, securing the performance of the Subtenant of each and all of the covenants, agreements, and conditions hereof upon all the personal property of the Subtenant from time to time situated in the Subleased Premises. If Landlord's statutory lien for rent is not waived, the express contractual lien herein granted shall be in addition and supplementary thereto. If Subtenant shall fail to remove all of its effects from the Subleased Premises upon termination of this Sublease for any cause whatsoever, Landlord may, at its sole option, (1) remove same in any manner that the Landlord shall choose, store said effects without liability to Subtenant for loss thereof, and Subtenant agrees to pay Landlord on demand any and all expense incurred in such removal, including court costs, attorney's fees and storage charges on such effects for any length of time same shall be in Landlord's possession, or (2) without notice sell said effects or any part of same at a private sale and without legal process for such price as Landlord may obtain, and apply the proceeds of such sale upon amounts due under this Sublease from Subtenant to the Landlord and upon the expense incident to the removal and sale of said effects.

4. TERM AND POSSESSION

(a) This Sublease term shall commence on _____, and shall continue for the period of one year from the date of commencement, unless otherwise terminated or extended as herein provided.

(b) Possession of the Subleased Premises shall be given on the date this Sublease term commences.

(c) At the expiration or termination of the Sublease term, Subtenant shall peaceably yield up to the Landlord the Subleased Premises in good and Subtenantable repair, broom-swept clean, and Subtenant shall remove its property in accordance with the terms of this Sublease.

5. RENT

(a) The Rent, in the amount of \$_____ a month, shall be paid to and received by Landlord at the address provided below on the first day of the month, unless Landlord designates otherwise. The Rent for the Subleased Premises shall be paid without abatement, deduction or set off for any reason.

(b) In addition to the Rent, monthly 6.5% gross sales tax in the amount of \$_____ shall be paid to Landlord at the same time and location.

(c) Electricity, internet, water, wastewater, and trash collection for normal office use is provided for the Subleased Premises at no additional cost; however, Subtenant expressly waives any claim and agrees that Landlord shall have no liability regarding any loss of any such utility service, including

without limitation water and electrical power for any reason and shall have no obligation to provide emergency backup power or water. Additional fees related to laboratory hazardous waste management activities, as applicable, are set forth in the Special Use Addendum, if attached hereto as Exhibit "C". Additional services provided to, and obligations of Subtenant as a client of the UCF Business Incubator, are attached hereto as Exhibit "B", and incorporated herein.

(d) A security deposit equivalent to one (1) month's rent, in the amount of \$ _____, is due upon signing Sublease. It is understood that this is a security deposit and at no time shall be considered a rent payment. This deposit shall be returned within thirty (30) days of compliance with Article 4(b), unless it is deemed necessary by Incubator management to retain part or all of the deposit to cover cleaning and/or repairs needed in the space vacated by the Subtenant, to the extent permitted by law.

6. OPTION TO RENEW

(a) Subject to Article 6(b), at the end of the primary term stated in Article 4(a), Subtenant shall, upon Landlord's written approval, have the right and option to renew this Sublease for an additional one-year term upon the same conditions as are contained in this Sublease, provided, however, that Subtenant shall be then current in the payment of rent and any other amounts due hereunder. The Landlord retains the right to review and adjust the rental charges. In no event shall the adjustment for any one year be less than five percent (5%) or greater than seven (7%) over the rent for the then current year, nor shall base rent be decreased from a prior year, regardless of adjustment.

(b) Landlord retains the express right to terminate this Sublease within thirty (30) days after the final day of the 2019 Florida Legislative Session, or to deny renewal of this Sublease, if Landlord terminates the Primary Lease due to non-receipt of certain recurring appropriations by the Florida Legislature during either the 2017, 2018, or 2019 State of Florida Legislative Session.

7. LIMITS OF REPRESENTATIONS

Neither Landlord nor Landlord's agents have made any representations, warranties or promises with respect to the Subleased Premises or this Sublease, except as expressly set forth in this Sublease. Subtenant acknowledges that Landlord has made no representations or promises as to the condition of the Premises other than as set forth in this Lease, nor shall Landlord be required to construct any alterations or improvements to the Premises, except as expressly set forth in this Lease.

8. ASSIGNMENT

Subtenant may not assign this Sublease or any interest there under, or sublet the Subleased premises or any part thereof, or permits the use of the Subleased Premises by any party other than the Subtenant.

9. ASSISTANCE

The Subtenant shall permit the Landlord, or its designee, to erect, use, maintain and repair pipes, cables, conduit, plumbing, vents and wires in, to and through the Subleased Premises, as to the extent the Landlord may now or hereafter deem to be necessary or appropriate for the proper operation or maintenance of the Primary Premises or in connection with easements granted hereunder. All such work shall be done so far, as is practicable, and in such manner as to avoid interference with the Subtenant's use of the Subleased premises. Subtenant agrees to report immediately to the Landlord any defective condition in or about the Subleased premises.

10. GOVERNMENTAL REQUIREMENTS AND COMPLIANCE

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(a) Subtenant agrees, at its own expense, to promptly comply with all requirements of any legally constituted public authority made necessary by reason of Subtenant's occupancy and use of said Subleased Premises, including, but not limited to, all health, safety and fire codes and regulations of the University of Central Florida, the State of Florida and the County of Orange, and with any and all other applicable law, statute, code, rule, regulation, ordinance, order, authorization, registration, or other direction or requirement of any federal, state, county, municipal, or other governmental, governmental department, commission, board, bureau, court, agency, or instrumentality having jurisdiction or authority over Landlord and/or Subtenant. Subtenant, at its sole expense, shall obtain all required licenses or permits for conduct of business within the terms of this Sublease, and Landlord, where necessary but at its sole discretion, may join with Subtenant in applying for such licenses or permits. Subtenant shall, on Landlord's request, provide proof that all required licenses and permits have been obtained. If any governmental license or permit shall be required for the proper and lawful conduct of Subtenant's business in the Premises, Subtenant shall, at its expense, duly procure and thereafter maintain such license or permit and shall at all times comply with the terms and conditions of same.

(b) Landlord and Subtenant acknowledge that there are certain Federal, State, and local laws, regulations, and guidelines now in effect, and that additional laws, regulations, and guidelines may hereafter be enacted relating to, or affecting the Subleased Premises and the Building and larger parcel of land of which the Subleased Premises may be a part, and concerning the impact on the environment of construction, land use, maintenance, and operation of the structures and the conduct of activities. Subtenant will not cause, or permit to be caused, any act or practice, by negligence, omission, or otherwise that would adversely affect the environment or do anything or permit anything to be done that would violate any of said laws, regulations, or guidelines. Subtenant shall be responsible for permitting, and at the sole discretion of UCF, shall assist UCF in obtaining permits on Subtenant's behalf, for the transportation, use, and disposal of any Hazardous Materials brought onto the premises by Subtenant or produced by any activity of Subtenant. Subtenant shall consult with UCF Environmental, Health and Safety to establish, or cause to be established and/or implemented, such safety and monitoring procedures as are necessary to ensure compliance with all Federal, State, and local laws, regulations, and guidelines. **"Hazardous Material or Hazardous Substance"** shall mean any flammables, explosives, radioactive material, hazardous wastes, hazardous or toxic substances or related materials, asbestos or any material containing asbestos, medical waste, special and infectious waste, biological materials (including without limitation blood and blood products), electromagnetic fields, mold and chemicals known to cause cancer or reproductive toxicity, or any other substance or material as defined in any federal, state or local environmental governmental requirement, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601 et seq.; the Hazardous Materials Transportation Act, 42 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq.; the regulations of the Occupational Safety and Health Administration, 29 C.F.R. § 1910.1001; the National Emission Standard for Hazardous Air Pollutants, 40 C.F.R. Part 61, Subpart M; and the regulations adopted in publications promulgated pursuant to each of the foregoing (collectively, the "Environmental Laws").

(c) Subtenant shall not bring or keep, or permit to be brought or kept (except for those substances, materials, and wastes typically used in connection with and generated by research activities being conducted within the Premises consistent with the terms of this Sublease and in accordance with applicable Governmental Requirements) any flammable, combustible, or explosive fluid, material, chemical, or substance in or about the Premises. Neither Subtenant nor its agents, employees, contractors, clients, assignees, and invitees will use the Premises, or any portion thereof, in a manner which causes any Hazardous Substance to be released, and will not release (as hereinafter defined) any Hazardous Substance, in, on, beneath, at or about the Premises, or any portion thereof, including, without limitation, into the

atmosphere, soil or groundwater thereof. If Subtenant or its agents, employees, contractors, clients, assignees or invitees or any other person or entity during the term of this Sublease causes or permits the spilling, leaking, pumping, pouring, emitting, discharging, injection, escaping, leaching, dumping, or disposing in, on, beneath, at or about the Premises, including, without limitation, into the interior spaces, building materials, equipment, atmosphere, soil, parking lots or groundwater thereof (each such event or occurrence being a "release") of any Hazardous Substance, Subtenant, upon knowledge thereof, shall immediately notify Landlord in writing of such release. Upon knowledge of a Hazardous Substance release by Subtenant or its agents, employees, contractors, clients, assignees, or invitees, Subtenant will immediately commence, diligently conduct and complete the investigation, assessment, clean-up and remediation of each such release of Hazardous Substances, and take all such other action, as may be necessary or required by the Governmental Requirement, all at Subtenant's sole cost and expense.

(d) Subtenant shall not pour or otherwise dispose of any chemical, chemical waste, chemical by-products, or other such material, through the drainage (plumbing) system of the Premises other than customary cleaning fluids. This representation by Subtenant is a material inducement to Landlord to enter into this Sublease, and without such inducement, Subtenant acknowledges that Landlord would not have to entered into this Sublease agreement. Accordingly, Subtenant's breach of this agreement shall be deemed a material default under this Sublease, entitling Landlord to exercise any and all of its rights for Tenant's default.

(e) Landlord reserves the right to inspect the Subleased Premises from time to time to insure Subtenant's compliance with this covenant and any violation of this covenant shall be an event of default under this Sublease. Landlord's right of inspection is not intended and shall not be deemed as an obligation of Landlord, nor shall Landlord bear any liability for Subtenant's non-compliance or violation of the covenant, irrespective of Landlord's inspection. Subtenant shall have no claim against Landlord by reason of any changes Landlord may make in the Premises pursuant to said laws, regulations, or guidelines. In the event the Special Use Addendum is attached hereto as Exhibit "C", Subtenant shall execute a Hazardous Waste Management Agreement, as further defined in the Special Use Addendum.

(f) Subtenant agrees to cooperate with Landlord to ensure use of and access to the Subleased Premises complies with applicable federal requirements, including technologies restricted by the International Traffic & Arms Regulations (ITAR).

(g) Subtenant hereby (i) agrees to comply with The Economic Espionage Act (EEA) of 1996, 18 U.S.C. §1831-1832, (ii) agrees and verifies that Subtenant, its agents, servants or employees, or any other persons entering upon the Subleased Premises under express or implied invitation will not target, acquire, or misappropriate any trade secret nor any other proprietary or confidential information of UCF for the benefit of any foreign government, foreign instrumentality, foreign agent, or any other third party, and (iii) agrees that the signature execution below confirms that any violation of this provision shall be deemed an intentional and knowing act.

(h) Landlord, at its sole option, may review Subtenant activities that may result in an export or sanctioned transaction, and Subtenant shall cooperate and comply with any such review. Nothing in this Sublease shall be construed or interpreted to obligate Landlord in any manner regarding compliance of the activities of Subtenant.

(i) In no event shall Subtenant's employees, guests, visitors or other invitees loiter in the Building or sidewalks adjoining the Building or disturb other occupants at the Building.

(j) In no event shall the Premises be used in any manner which might unreasonably expose anyone to breaches of safety, security, excess traffic or exposure to noxious or offensive fumes, odors, noises, nuisance or other harassment.

11. INDEMNITY AND INSURANCE

(a) Subtenant agrees to indemnify and hold the Landlord harmless from any and all claims, liabilities, judgments, damages or expenses, whether due to damage to the Subleased premises, claims for injury to the person or property of any other Subtenant of the Primary Premises or of any other person rightfully in or about the Building for any purpose whatsoever, for administrative or criminal acts and by any governmental agency, which injury, expense, damage or claim resulted either directly or indirectly from the negligence, misconduct or breach of any provision of this Sublease by the Subtenant, its agents, servants or employees, or of any other persons entering upon the Subleased premises under express or implied invitation. Subtenant further agrees to reimburse the Landlord for any cost or expense, including reasonable attorney's fees, which the Landlord may incur in investigating, handling or litigating any such claim by a third, person or any action by governmental authority.

(b) Subtenant agrees that all personal property brought into the Subleased Premises shall be at the risk of Subtenant only and that Landlord shall not be liable for theft thereof or any damage thereto, to the maximum extent permitted by law, irrespective of whether occasioned from any act of co-Subtenants or other occupants of said Building or any other person, or act of God, or any other peril, such as, without limitation, fire or sinkhole collapse.

(c) Subtenant hereby assumes responsibility for the condition of the Premises subsequent to the date of commencement, and agrees to give Landlord written notice in the event of any damage, defect or disrepair therein. Subtenant shall be responsible for the safety and security of Subtenant's employees and invitees upon or about the Premises. Subtenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to person in, upon or about the Premises, except to any extent arising from Landlord's negligence or willful misconduct. Subtenant shall give prompt notice to Landlord in case of casualty or accidents in the Premises.

(d) Subtenant shall, at its own expense, at all times during the term of this Sublease, maintain in force a policy or policies of insurance, written by one or more responsible insurance carrier, which will, by naming Landlord as an additional insured, protect Landlord against liability for injury to or death of persons or loss or damage to property occurring in or about the premises. The liability under such insurance shall not be less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and aggregate. Subtenant shall furnish a certificate, as evidence of such insurance, to Landlord at least annually and upon demand of Landlord. The proceeds of such insurance, so long as this Lease remains in effect.

(e) Subtenant at its expense shall comply with all requirements of the Board of Fire Underwriters, or any other similar body affecting the use of the Premises, and shall not use the Premises in a manner which shall increase the rate of fire insurance or other insurance of Landlord or of any other tenant, over that in effect as of the date of commencement of this Sublease. If Subtenant's use of the Premises increases the fire insurance rate or results in other increases in insurance coverage related to the Building, Subtenant shall reimburse Landlord for all such increased costs (provided that such reimbursement shall be equitably apportioned to the extent uses by other tenants/subtenants in the Primary Premises are also responsible for such increases).

(f) Subtenant shall maintain and keep in force all workers' compensation insurance required under the laws of the State of Florida, and such other insurance as may be necessary to protect Landlord

against any other liability of person or property arising hereunder by operation of law, whether such law is now in force or is adopted subsequent to the execution hereof.

(g) Should Subtenant fail, in breach of this Sublease, to keep in effect and pay for such insurance as it is in this Article 11 required to maintain, Landlord may, at its sole discretion, do so, in which event the insurance premiums paid by Landlord shall become due and payable forthwith and failure of Subtenant to pay same on demand shall constitute a separate breach of this Sublease. All hazard insurance obtained by Subtenant hereunder shall contain a provision by which the insurance company waives any right of subrogation it may have against Landlord. Nothing in this Article 11 shall be construed or interpreted as an obligation of Landlord to maintain any insurance required to be maintained by Subtenant in this Article 11.

(h) Notwithstanding anything to the contrary contained in this Lease, Landlord and Subtenant each hereby waives on behalf of itself and its insurers (none of which shall ever be assigned any such claim or be entitled thereto due to subrogation or otherwise) any and all rights of recovery, claim, action, or cause of action, against the other, or the other's directors, shareholders, partners, members, joint venturers, agents, officers, or employees, for any loss or damage that may occur to the Premises, the Building, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other causes which are, or could or should be insured against under the terms of the standard property insurance policies referred to in this Sublease, regardless of whether such insurance is actually maintained and regardless of the cause or origin of the damage involved, including negligence of the other party hereto, its directors, shareholders, partners, members, joint venturers, agents, officers, or employees. Landlord and Subtenant shall cause each of their respective property insurance policies hereunder to contain, or be endorsed with, a provision by which the insurer shall waive its right of subrogation against the other party hereto.

12. TERMINATION

(a) The Subtenant shall surrender the Premises to Landlord at the expiration or sooner termination of this Lease in good order and condition, except for reasonable wear and tear, casualty, condemnation and acts of nature.

(b) In the event that (i) the rent specified herein is not paid at the time and place when and where due, (ii) the Subleased Premises shall be deserted or vacated, (iii) the Subtenant shall fail to comply with any term, provision, condition or covenant of this Sublease, other than the payment of rent, or any of the rules and regulations now or hereafter established for the government of this Building, (iv) any petition is filed by or against Subtenant under any section or chapter of the United States Bankruptcy Code as amended, (v) Subtenant shall become insolvent or make a transfer in fraud of creditors, (vi) Subtenant shall make an assignment for the benefit of creditors, (vii) a receiver is appointed for a substantial part of the assets of Subtenant, and Subtenant shall not cure such defaults within ten (10) days after notice in the case of monetary default or thirty (30) days after notice in the case of non-monetary default, and upon the occurrence of any one or more of the foregoing, Landlord shall have the option to proceed according to one or more of the following courses of action in addition to any other remedies of law:

a. Terminate this Sublease, in which event Subtenant shall immediately surrender the Subleased Premises to Landlord, but if Subtenant shall fail to do so, Landlord may, without further notice and prejudice to any other remedy Landlord may have for possession or arrearages in rent, enter upon the Subleased Premises and expel or remove Subtenant and its effects, by force, if necessary, without being liable to prosecution or any claim for damages therefor, and Subtenant agrees to indemnify Landlord for all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the Subleased Premises, or through decrease in rent, or otherwise; and/or

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b. Declare the entire amount of the rent which would become due and payable during the remainder of the term of this Sublease to be due and payable immediately, in which event, Subtenant agrees to pay the same at once, together with all rents due, at Landlord's address as provided herein; provided, however, that such payment shall not constitute a penalty or forfeiture or liquidated damages, but shall merely constitute payment in advance of the rent of the remainder of the said term. The acceptance of such payment by Landlord shall not constitute a waiver of any failure of Subtenant thereafter occurring to comply with any term, provision, condition or covenant of this Sublease; and/or

c. Enter the Subleased Premises as the agent of the Subtenant, by force if necessary, without being liable to prosecution or any claim for damages therefor, and relet the Subleased Premises as the agent of the Subtenant, and receive the rent therefor, and the Subtenant shall pay the Landlord any deficiency that may arise by reason of such reletting on demand at the office of the Landlord; and/or

d. As agent of the Subtenant, do whatever the Subtenant is obligated to do by the provisions of this Sublease and may enter the Subleased Premises, by force if necessary, without being liable to prosecution or any claim for damages therefore, in order to accomplish this purpose. The Subtenant agrees to reimburse the Landlord immediately upon demand for any expense which the Landlord may incur in thus effecting compliance with this Sublease on behalf of the Subtenant, and the Subtenant further agrees that the Landlord shall not be liable for any damages resulting to the Subtenant from such action, whether caused by the negligence of the Landlord or otherwise.

Pursuit by Landlord of any of the foregoing remedies shall not preclude the pursuit of any of the other remedies herein provided or any other remedies provided by law.

No act or thing done by the Landlord or its agents during the term hereby granted shall be deemed an acceptance or surrender of said Subleased Premises, and no agreement to accept a surrender of said Subleased Premises shall be valid unless the same be made in writing and subscribed by the Landlord. Neither the mention in this Sublease or any particular remedy the Landlord might have, either in law or in equity, nor the waiver of or redress for any violation of any covenant or condition in this Sublease contained, or any of the rules and regulations set forth herein, or hereafter adopted by the Landlord, shall prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. In case it should be necessary or proper for Landlord to bring any action under this Sublease, or to consult or place said Sublease, or any amount payable by Subtenant thereunder, with an attorney concerning or for the enforcement of any of Landlord's rights hereunder, then Subtenant agrees in each and any such case to pay to Landlord a reasonable attorney's fee. The receipt by the Landlord of rent with knowledge of the breach of any covenant in this Sublease contained shall not be deemed a waiver of such breach.

(b) Effect of Termination of Sublease. No termination of this Sublease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to the termination thereof

(c) Landlord may terminate this Sublease for cause in the event of an action of default by the Subtenant. In the event of termination for cause, the Subtenant shall vacate the premises within sixty (60) days of receiving notice of termination.

(d) If Subtenant neglects or fails to perform or observe any of its covenants herein contained, and such default shall continue for a period of sixty (60) days after receipt of Landlord's written notice thereof, then the Landlord lawfully may, without further notice or demand, enter into and upon the Premises, and repossess the same as their former estate. The Landlord may expel Subtenant and remove its effects

forcefully, if necessary, without being taken or deemed to be guilty of any manner of trespass and thereupon this Sublease shall terminate but without prejudice to any remedy which might otherwise be used by the Landlord for arrears of rent or for any breach of Subtenant's covenants herein contained. The Subtenant shall be responsible for any costs incurred under this paragraph.

(e) Either party may terminate this Sublease for convenience by providing thirty (30) days' written notice to the other party.

13. ABANDONMENT

Subtenant agrees not to abandon or vacate the Subleased Premises during the term of this Sublease without the prior written approval Landlord.

14. HOLDING OVER

In the event of holding over by Subtenant subsequent to the expiration or other termination of this Sublease, and without regard to Landlord's acquiescence or consent, Subtenant shall pay as liquidated damages for such holding over a monthly rent equal to double the monthly rent, payable immediately prior to such period. Additionally, during such holding over with Landlord's acquiescence, and without any express agreement of the parties, Subtenant shall be a Subtenant on a month-to-month basis, which tenancy shall be determined absolutely and without remedy upon thirty (30) days' written notice of such intent by either party. There shall be no renewal of this Sublease by operation of law.

15. EMINENT DOMAIN

If the whole of the Subleased Premises, or such portion thereof as will make the Subleased Premises unusable for the purposes herein sub-subleased, be condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the time when possession thereof is taken by public authorities, and rent shall be accounted for as between Landlord and Subtenant as of that date. Any lesser condemnation shall in no way affect the respective rights and obligations of Landlord and Subtenant hereunder. It is expressly agreed that Subtenant shall not have any right or claims to any award made to or received by Landlord for such taking. This Article 15 shall not impact any right of Subtenant to make independent claim for damages to which it may be entitled by law.

16. DESTRUCTION OR DAMAGED PREMISES

1. Subtenant shall not suffer any damage, waste or deterioration to occur to the Premises and shall, at Subtenant's expense, maintain the interior non structural portions of the Premises and the fixtures and appurtenances therein, and Subtenant's property, in good and sightly condition, and shall make all reasonable repairs necessary to keep them in good working order and conditions when those are necessitated by the negligence or willful misconduct of Subtenant or its agents, employees or invitees, reasonable wear and tear and acts of nature excepted. All repairs, replacements and restorations under this Article 16 made by Subtenant shall be equal in quality and class to the originals thereof and shall be completed in compliance with applicable law.

2. If the Subleased Premises are totally destroyed, or so substantially damaged as to be unSubtenantable, by storm, fire, earthquake, or other casualty, this Sublease shall terminate as of the date of such destruction or daamage, and rent shall be accounted for between Landlord and Subtenant as of that date. If the Subleased Premises are damaged but not rendered wholly unSubtenantable by any such casualty or casualties, rent shall abate in such proportion as the use of the Subleased Premises has been destroyed until Landlord has restored the Subleased Premises to substantially the same condition as before damage,

whereupon full rent shall commence. Nothing contained herein shall require Landlord to make such restoration, however, if not deemed advisable in Landlord's sole judgment. Landlord shall make its intentions to restore or not to restore said Subleased Premises to original condition known to Subtenant in writing within ninety (90) days of such occurrence. If Landlord decides against such reconstruction or fails to provide such notice, Subtenant may at its option cancel this Sublease.

3. Landlord reserves the right to relocate the Premises to other space within the Primary Premises by giving Subtenant prior notice of such intention to relocate. If within one (1) month after receipt of such notice Subtenant has not agreed with Landlord on the space to which the Premises are to be relocated, the timing of such relocation, and the terms of such relocation, then Subtenant shall have the right to terminate this Sublease with no further obligation. Subtenant shall arrange for the relocation of the Premises within sixty (60) days after a comparable space is agreed upon or selected by Landlord, as the case may be. In the event Subtenant fails to arrange for said relocation within the sixty (60) day period, Landlord shall have the right to arrange for the relocation of the Premises at Landlord's expense, all of which shall be performed in a manner designed to minimize unreasonable interference with Subtenant's business.

17. EASEMENTS

Landlord shall have the right to grant easements in the areas of the Subleased Premises for the installation of utilities including data and broadcast cable, provided the use of such easement areas for such purposes does not interfere substantially with the operation of Subtenant's business. Subtenant shall not be entitled to any compensation or abatement of rent for use of such easement areas.

18. PAST DUE RENT/LATE FEES

Rent shall be due as stated in Article 5 of this Sublease. Rent shall be considered "past due" fifteen days after the due date. If rent is "past due", interest shall be paid on the total outstanding rent balance at the rate of eighteen percent (18%) per annum, or the maximum permitted by law, whichever is less, from the date due until paid in full, which interest (on the entire outstanding balance) shall be immediately due and payable in full upon demand.

19. MISCELLANEOUS PROVISIONS

(a) Entire Agreement. This Sublease contains the entire agreement of the parties and no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. This Sublease incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings concerning the subject matter hereof. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations, agreements or understandings, whether oral or written.

(b) Waiver. No failure of the Landlord to exercise any power given the Landlord hereunder, or to insist upon strict compliance by the Subtenant of any obligation hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of the Landlord's right to demand exact compliance with the terms hereof. The remedies provided in this Sublease are cumulative and not exclusive of the remedies provided by law or in equity.

(c) Governing Law. This Sublease is governed by the laws of the State of Florida and any provisions herein, in conflict therewith, shall be void and of no effect. UCF is entitled to the benefits of sovereign immunity coextensive therewith, including immunities from taxation. Subtenant submits to the

personal jurisdiction of the State of Florida. Any actions arising out of this Sublease shall be brought exclusively in the courts located in Orange County, Florida.

(d) Notice. All notices required to be served upon the Subtenant shall be served by first class mail postage prepaid or hand delivered to Subtenant at the following address:

Name: _____
 Address: _____
 City/State: _____
 Zip Code: _____
 Attention: _____

All notices or payments required to be served upon Landlord shall be delivered by first class mail postage prepaid or hand delivered to Landlord, receipt requested at the following address:

Name: University of Central Florida
 Address: 4365 Andromeda Loop N
 PO Box 160119
 City/State: Orlando, FL
 Zip Code: 32816-0119

(e) Force Majeure. No default, delay or failure to perform on the part of the either party shall be considered a default, delay or failure to perform otherwise chargeable, hereunder, if such default, delay or failure to perform is due to causes beyond either party's reasonable control including, but not limited to, strikes, lockouts or inactions of governmental authorities; epidemics; acts of terrorism; war; embargoes; fire; earthquake; acts of God; or default of common carrier. In the event of such default, delay or failure to perform, any date or times by which either party is otherwise scheduled to perform shall be extended automatically for a period of time equal in duration to the time lost by reason of the excused default, delay or failure to perform.

(f) Modifications. Neither this Sublease nor any of its terms may be changed or modified, waived, or terminated (unless as otherwise provided hereunder) except by an instrument in writing signed by an authorized representative of the party against whom the enforcement of the change, waiver, or termination is sought.

(g) Severability. If any clause or provision of this Sublease is illegal, invalid, or unenforceable under present or future laws effective during the term of this Sublease, then and in that event, it is the intention fo the parties hereto that the remainder of this Sublease shall not be affected thereby, and it is also the intention fo the parties to this Sublease that in lieu of each clause or provision of this Sublease that is illegal, invalid, or unenforceable, there be added as part of this Sublease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable. If such invalid part is, in the sole determination of the Landlord, essential to the rights of both parties, Landlord has the right to terminate this Sublease on written notice ot Subtenant.

(h) No Partnership. Landlord does not, in any way or for any purpose, become a partner of Subtenant in the conduct of its business, or otherwise, or a member of a joint enterprise with Subtenant.

(i) Captions. The captions of each Article, paragraph, and heading hereof are added as a matter of convenience only and shall be considered to be of no effect in the construction of any provision(s) of this Sublease.

(j) Special Use Addendum. Insofar as any terms of the Special Use Addendum, if attached as Exhibit "C" hereto, conflict with the foregoing provisions, the terms of the Special Use Addendum shall control.

(k) Radon Gas. In accordance with the requirements of Florida Statutes Section 404.056(8), the following notice is hereby given to Tenant: "RADON GAS: RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY HEALTH DEPARTMENT."

(l) Discrimination Not Permitted. Landlord and Subtenant for themselves, their successors and assigns covenant and agree that no person shall be excluded from participation in, denied benefits of, or otherwise subjected to unlawful discrimination in the use of the sub-subleased premises, the construction of any improvements thereon or the furnishing of services therein.

(m) OFAC Compliance. Subtenant represents and warrants to Landlord that (a) Subtenant nor any person or entity that directly owns a 25% or greater equity interest in it nor any of its officers, directors, or managing members is a person or entity (each, a "Prohibited Person") with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including Executive Order 13224 (the "Executive Order") signed on September 24, 2001 and entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"), or other governmental action, (b) the Subtenant's activities do not violate the International Money Laundering Abatement and Financial Anti Terrorism Act of 2001 or the regulations or orders promulgated thereunder (as amended from time to time, the "Money Laundering Act") (i.e., Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "Patriot Act"), and (c) throughout the Term of this Sublease, Subtenant shall comply with the Executive Order, the Money Laundering Act, and the Patriot Act.

(n) Time of Essence. Time is of the essence of this Sublease.

20. PRIMARY LEASE. Notwithstanding any other provision of this Sublease to the contrary, all of the rights of Subtenant under this Sublease are subject to the terms of the Primary Lease and any limitation on the rights of Landlord thereunder, and in the event of a conflict between the terms of this Sublease and the Primary Lease, the Primary Lease shall prevail. Further, no provision of this Sublease shall be deemed or effective to expand the rights of Landlord under the Primary Lease, or diminish the obligations of Landlord thereunder.

IN WITNESS WHEREOF, the parties hereto have signed and sealed this Sublease as of the day and year first above written,

Landlord:
University of Central Florida
Board of Trustees

Subtenant:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT "A"

BUILDING RULES AND REGULATIONS

1. Subtenant shall not install any awnings or structure of any kind whatsoever on the exterior of the Building without the Landlord's written consent. Landlord's approval is not required for any signage of Subtenant wholly within the Premises, so long as such signage cannot be seen from the Common Areas or from anywhere outside of the Premises. Except as otherwise set forth herein, Subtenant shall not place any signs or other advertising matter or material on the exterior of the Building or anywhere upon the Common Areas.
2. Subtenant shall not connect any apparatus equipment or device to the water lines in the Building without first obtaining the written consent of the Landlord.
3. No electric powered machines or equipment shall be used by Subtenant in the Subleased Premises except personal computers and similar small office or laboratory machines (including, without limitation, computers, printers, fax machines and kitchen appliances) without specific written approval of Landlord. Installation and or use of any radiological or imaging equipment shall require Landlord's prior approval.
4. Subtenant shall not operate or permit to be operated any musical or sound producing instrument or device in the Subleased Premises, which may be heard outside the Subleased Premises. Subtenant shall not create or maintain a nuisance in the Premises nor make or permit any noise or odor or use or operate any electrical or electronic devices that emit loud sounds, air waves, or odors, that are reasonably objectionable to other tenants of this Building or any adjoining building or premises; nor shall the Premises be used for lodging or sleeping nor any immoral or illegal purpose that will violate any law, damage the Premises, or injure the reputation of the Building.
5. No articles deemed hazardous because of fumes, fire, or explosion shall be brought into the Building, unless otherwise agreed to in writing by Landlord.
6. Subtenant shall not bring or permit to be brought into the Building any animals or birds, other than service animals.
7. Subtenant will refer to Landlord all contractors or installation technicians prior to contracting for or beginning to render any services, including, but not limited to, installation of telephones, electrical devices and attachments, and installations of any and every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment or other physical portions or services of the Building;
8. Subtenant assumes all risk of damage to any and all articles moved as well as injury to any person or property in such movement, and hereby agrees to indemnify Landlord against any loss resulting therefrom.
9. Landlord shall not be responsible for any lost or stolen property, equipment, money, or jewelry from the Subleased Premises or the public areas of the Building or grounds.
10. Landlord shall have the right to determine and prescribe the maximum weight and proper position of any heavy equipment, including safes, large file, etc., that are to be placed in the Building, and only those which, in the reasonable opinion of Landlord, will not do damage to the floors, structures or elevators may be moved into the Building.

11. Any damage occasioned in connection with the moving or installing, of furniture, equipment, appliances or other articles in the Building, or the existence of same in the Building, shall be paid for by the Subtenant.
12. Subtenant shall not place on or about the Building or doors any sign or mark of any kind other than that approved by Landlord.
13. Landlord may permit entrance to Subtenant's Subleased Premises by use of passkeys controlled by Landlord or its employees, contracting, or service personnel for the purpose of performing Landlord's janitorial services. No additional locks or similar devices shall be placed upon doors of the Premises and no locks shall be changed except with written consent of Landlord. Upon termination of the Lease, Subtenant shall surrender to Landlord all keys to the Premises. Such consent of Landlord shall not be unreasonably withheld.
14. Neither Subtenant nor any of its employees will leave any exterior door unlocked after business hours.
15. Landlord may from time to time in its reasonable judgment adopt appropriate systems and procedures for the security or safety of the Premises, any persons occupying, using, or entering the same, or any equipment, furnishings, or contents thereof, and Subtenant shall comply with the Landlord's reasonable requirements relative thereto.
16. Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve, or distribute foods or beverages in the Primary Premises.
17. Window coverings other than the type designated by Landlord as Building standard, either inside or outside the windows, may not be installed without Landlord's prior written consent and must be furnished, installed and maintained at the expense of Subtenant and at Subtenant's risk, and must be of such shape, color, material, quality and design as may be prescribed by Landlord, subject to applicable environmental health and safety recommendations and requirements.
18. If Subtenant desires additional telegraphic or telephonic connections, or the installation of any other electrical wiring, Landlord will, upon receiving a written request from Subtenant and at Subtenant's expense, direct the electricians as to where and how the wires are to be introduced and run, and without such direction, no boring, cutting or installation of wires will be permitted.
19. The sidewalks, entrances, passages, courts, corridors, vestibules, halls, stairways and elevators in or about the Premises and Building shall not be obstructed or used for storage or for any purpose other than ingress and egress by Subtenant or its invitees.
20. Landlord reserves the right at all times to exclude news delivery persons, loiterers, vendors, solicitors and peddlers from the Building as deemed necessary and to require registration, satisfactory identification and credentials from all persons seeking access to any part of the Building. Landlord shall exercise its best judgment in executing such control but shall not be held liable for granting or refusing such access.
21. No animals, pets, bicycles or skateboards or other vehicles shall be brought or permitted to be in the Premises or Building, other than service animals, and other than fish in a fish tank, the size of which shall be subject to Landlord's reasonable approval.

22. Subtenant shall cooperate fully with Landlord to assure the most effective and efficient operation of the Building and the use of utilities. Subtenant shall not adjust any common controls other than room thermostats installed for specific use. Subtenant shall not tie, wedge, or otherwise fasten open any water faucet or outlet. Subtenant shall keep all common corridor doors (if any) closed.
23. Except to the extent expressly provided in the Sublease, Landlord shall not assume responsibility for protecting the Premises from theft, robbery, pilferage and other crimes.
24. Subtenant shall not knowingly overload any floor and shall not install any heavy objects (i.e. objects creating weight loads in excess of one hundred (100) pounds per square foot, safes, business machines, equipment, files or other equipment without having received Landlord's prior written consent as to size, maximum weight, routing and location thereof. Safes, furniture, equipment, machines and other large or bulky, articles shall be brought through the Building and into and out of the Premises at such times and in such manner as Landlord shall direct (including but not limited to required use of the service elevator) and at Subtenant's sole risk and responsibility.
25. Subtenant shall not use more electrical current from individual or collective circuits as is designated by the amperage rating of said circuits at the circuit breaker panels for Subtenant's Premises
26. Subtenant, its employees, its invitees and guests shall not smoke in the Premises, Building or any Common Areas. Landlord shall make commercially reasonable efforts to enforce a similar restriction upon smoking by all other subtenants while they are at or within the Building or the Common Area.
27. Subtenant shall be responsible for any property damage including stoppage caused by failure to use the apparatus as instructed or for the purpose constructed done to any Common Area including but not limited to restrooms, elevators, stairways, hallways, lobby, sidewalks, parking lots, landscape areas caused by Subtenant, its licensees, guests, agents, contractors or invitees.
28. Landlord reserves the right to make such further reasonable rules and regulations as in its judgment may from time to time be necessary for the safety, care and cleanliness of the Premises and the preservation of good order therein. Any additional rules and regulations promulgated by Landlord and provided to Subtenant shall be binding upon the parties hereto with the same force and effect as if they had been inserted herein at the time of execution hereof. Subtenant shall be responsible for the observance of all of the foregoing rules and regulations by Subtenant's employees, agents, clients, customers, invitees and guests. Landlord shall not be responsible for any violation of the foregoing rules and regulations by other Subtenants of the Building, except as otherwise set forth herein.
29. Subtenant shall not conduct or permit any auctions or sales at the Premises.
30. The Rules and Regulations under the Primary Lease are attached hereto as Exhibit A-1, and are incorporated by reference into this Exhibit A. In the event of any conflict between Exhibit A-1 and this Exhibit A or any other portions of this Sublease, the provisions of Exhibit A-1 shall prevail.

In the case of any conflict between the provisions of the Sublease and these rules and regulations, the provisions of the Sublease shall control.

EXHIBIT "A-1"

PRIMARY LEASE RULES AND REGULATIONS

21. Landlord may from time to time in its reasonable judgment adopt appropriate systems and procedures for the security or safety of the Building, any persons occupying, using, or entering the same, or any equipment, furnishings, or contents thereof, and Tenant shall comply with the Landlord's reasonable requirements relative thereto.

22. Only persons approved from time to time by Landlord may prepare, solicit orders for, sell, serve, or distribute foods or beverages in the Common Areas.

23. Except in connection with the Use as defined in the Lease to which this Exhibit is attached, Tenant shall not install or operate any machinery or apparatus other than usual business machines (including, without limitation, computers, printers, fax machines and kitchen appliances) without specific written approval of Landlord. Installation and or use of any radiological or imaging equipment that is not in connection with the Use as defined in the Lease to which this Exhibit is attached shall require Landlord's prior approval.

24. No additional locks or similar devices shall be placed upon doors of the Premises and no locks shall be changed except with written consent of Landlord. Upon termination of the Lease, Tenant shall surrender to Landlord all keys to the Premises. Such consent of Landlord shall not be unreasonably withheld.

25. Tenant shall be permitted to move furniture and office furnishings and other Tenant's Property into or out of the Building at Tenant's own risk only at such times and in such a manner designated by Landlord so as to cause the least inconvenience of other tenants. It shall be the obligation of Tenant to repair, at no expense to Landlord, any damage to the Premises or Building caused by Tenant or its agents during moving.

26. Window coverings other than the type designated by Landlord as Building standard, either inside or outside the windows, may not be installed without Landlord's prior written consent and must be furnished, installed and maintained at the expense of Tenant (but payable out of the Tenant Improvement Allowance) and at Tenant's risk, and must be of such shape, color, material, quality and design as may be prescribed by Landlord, subject to applicable environmental health and safety recommendations and requirements.

27. If Tenant desires additional telegraphic or telephonic connections, or the installation of any other electrical wiring, Landlord will, upon receiving a written request from Tenant and at Tenant's expense, direct the electricians as to where and how the wires are to be introduced and run, and without such direction, no boring, cutting or installation of wires will be permitted.

28. The sidewalks, entrances, passages, courts, corridors, vestibules, halls, stairways and elevators in or about the Premises and Building shall not be obstructed or used for storage or for any purpose other than ingress and egress by Tenant or its invitees.

29. The Premises' ventilation system shall be isolated, separated within the Building from other tenants' ventilations system(s). Tenant shall not create or maintain a nuisance in the Premises nor make or permit any noise or odor or use or operate any electrical or electronic devices that emit loud sounds, air waves, or odors, that are reasonably objectionable to other tenants of this Building or any adjoining

building or premises; nor shall the Premises be used for lodging or sleeping nor any immoral or illegal purpose that will violate any law, damage the Premises, or injure the reputation of the Building.

30. Landlord reserves the right at all times to exclude news delivery persons, loiterers, vendors, solicitors and peddlers from the Building and Building Land as deemed necessary and to require registration, satisfactory identification and credentials from all persons seeking access to any part of the Building or Project. Landlord shall exercise its best judgment in executing such control but shall not be held liable for granting or refusing such access.

31. No animals, pets, bicycles or skateboards or other vehicles shall be brought or permitted to be in the Premises or Building, other than service animals, and other than fish in a fish tank, the size of which shall be subject to Landlord's reasonable approval.

32. Tenant shall cooperate fully with Landlord to assure the most effective and efficient operation of the Building and the use of utilities. Tenant shall not adjust any common controls other than room thermostats installed for specific use. Tenant shall not tie, wedge, or otherwise fasten open any water faucet or outlet. Tenant shall keep all common corridor doors (if any) closed.

33. Except to the extent expressly provided in the Lease, Landlord shall not assume responsibility for protecting the Premises from theft, robbery, pilferage and other crimes.

34. Tenant shall not knowingly overload any floor and shall not install any heavy objects (i.e. objects creating weight loads in excess of one hundred (100) pounds per square foot, safes, business machines, equipment, files or other equipment without having received Landlord's prior written consent as to size, maximum weight, routing and location thereof. Safes, furniture, equipment, machines and other large or bulky, articles shall be brought through the Building and into and out of the Premises at such times and in such manner as Landlord shall direct (including but not limited to required use of the service elevator) and at Tenant's sole risk and responsibility.

35. Tenant shall not use more electrical current from individual or collective circuits as is designated by the amperage rating of said circuits at the circuit breaker panels for Tenant's Premises. Should Tenant exceed the safe capacity as designed and as stated on the circuit breakers for said circuits then Tenant shall bear the entire expense of modifications to adjust or increase the amperage for Tenant's safe and proper electrical consumption. Landlord's consent to such modifications to the electrical system shall not relieve Tenant from the obligation not to use more electricity than such safe capacity.

36. Tenant, its employees, its invitees and guests shall not smoke in the Premises, Building or any Common Areas. Landlord shall make commercially reasonable efforts to enforce a similar restriction upon smoking by all parties while they are at or within the Building or the Common Area.

37. Tenant shall be responsible for any property damage including stoppage caused by failure to use the apparatus as instructed or for the purpose constructed done to any Common Area including but not limited to restrooms, elevators, stairways, hallways, lobby, sidewalks, parking lots, landscape areas caused by Tenant, its licensees, guests, agents, contractors or invitees negligent act or omission occurring within the scope of employment by Tenant.

38. Landlord reserves the right to establish reasonable rules and regulations which shall govern the access, activity, conduct and set specific rules and regulations with respect to contractors, subcontractors, agents or consultants that conduct activities in the Building, Premises and or Building Land.

39. Landlord reserves the right to make such further reasonable rules and regulations as in its judgment may from time to time be necessary for the safety, care and cleanliness of the Premises and the preservation of good order therein. Any additional rules and regulations promulgated by Landlord and provided to Tenant shall be binding upon the parties hereto with the same force and effect as if they had been inserted herein at the time of execution hereof. Tenant shall be responsible for the observance of all of the foregoing rules and regulations by Tenant's employees, agents, clients, customers, invitees and guests. Landlord shall not be responsible for any violation of the foregoing rules and regulations by other tenants of the Building, except as otherwise set forth herein.

40. Tenant shall not conduct or permit any auctions or sales at the Premises or Project.

EXHIBIT "B"

UCF BUSINESS INCUBATION PROGRAM
Lake Nona Medical – Innovation Center I

CLIENT SERVICES

Client services to be provided by the University of Central Florida Incubator include:

- Scheduled consultations with business advisors
- Assistance as needed from Incubator staff
- Use of the UCF Incubator conference room (on an as available basis)
- Invitation to in-house functions
- Admission to UCF Incubator sponsored seminars/workshops
- Networking Opportunities
- PR/Marketing: Inclusion in UCF Incubator press releases, individual company profile creation, consideration for specialized articles
- Linkage from UCF Incubator Web Page
- Linkage to the National Entrepreneur Center and various service providers located there including the UCF Small Business Development Center
- Additional services as outlined in the Client Handbook
- Facsimile
- Photocopying
- Other services as requested and feasible to provide

Specific rules and regulations outlining use of services are included in the Client Handbook. Clients agree to abide by all rules and regulations of the University of Central Florida Business Incubation Program and the Client Handbook, which are incorporated into this Sublease as a material part of the Sublease.



UNIVERSITY OF CENTRAL FLORIDA
BUSINESS INCUBATION PROGRAM

Exhibit "C"
SPECIAL USE ADDENDUM
TO
SUBLEASE AGREEMENT

Between
The University of Central Florida Board of Trustees ("Landlord")
And
_____ ("Subtenant")

WHEREAS, Landlord and Subtenant have entered into a Sublease Agreement effective _____
(hereinafter the "Sublease"); and

WHEREAS, Subtenant desires additional non-office, special use space, in addition to or in combination
with the Subleased Premises, and which may involve Restricted Activities; and

WHEREAS, Landlord desires to provide additional non-office special use space to Subtenant;

NOW THEREFORE, for and in consideration of the mutual covenants and conditions contained in the
Sublease and herein, and for other good and valuable consideration, the receipt and sufficiency of which is
hereby acknowledged, the Parties agree as follows:

1. Laboratory Use Pursuant to the terms of the Sublease, the Subleased Premises shall include non-
exclusive access and non-exclusive use of _____ square feet of wet laboratory space, to be used and
occupied for laboratory activities, subject to the terms of this Addendum and the Sublease, and without
limitation, pursuant to the procedures set forth in UCF Procedure Number emp30-01, Laboratory
Environmental Management Procedure.

2. Alterations or Additions

(a) Pursuant to the terms of the Sublease, Subtenant is not authorized and shall make no
alterations and/or additions to the Subleased Premises without the written consent of Landlord.

(b) For any approved alterations and/or additions to the Subleased Premises, unless otherwise
agreed upon in writing by Landlord and Subtenant, Subtenant shall be solely responsible for all costs and
expenses generated thereby and relating thereto. Title to any approved alterations and/or additions shall
vest with Landlord, and shall remain with Landlord upon expiration or termination of the Sublease.

(c) Subtenant shall consult with UCF Environmental Health & Safety for guidance, but shall
be solely responsible for compliance with all health, safety, and fire codes, and all federal, state, and
municipal laws, ordinances, notices, orders, rules, regulations, and requirements related to the laboratory
use, including but not limited to, obtaining or assisting UCF in obtaining, at UCF's sole discretion, all
necessary permits and licenses. Subtenant shall be solely responsible for all costs and expenses related to
said compliance.

3. Compliance Subtenant hereby agrees to comply with export and sanction regulations of the United States of America. Landlord, at its sole option, may review Subtenant activities which may result in an export or sanctioned transaction, and Subtenant shall cooperate and comply with any such review. Nothing in this Addendum or the Sublease shall be construed or interpreted to obligate Landlord in any manner regarding compliance of the activities of Subtenant.

4. Hazardous Substances Subtenant agrees to the terms of and shall execute the Hazardous Waste Management Agreement, attached hereto as Exhibit "C1", and incorporated herein by reference, prior to use and occupation of the Subleased Premises. Subtenant at its sole cost and expense, shall comply with (i) all federal, state, and municipal laws, ordinances, notices, orders, rules, regulations, and requirement, (ii) any requirements of the National Board of Fire Underwriters or any other body exercising similar functions and (iii) the requirements of all public liability, fire, and other policies of insurance covering the Subleased Premises or the Building, relating to the treatment, production, storage, handling, transfer, processing, transporting, use, disposal, and release of hazardous substances, hazardous wastes, toxic or radioactive matter. In addition, Subtenant shall take similar precautions with any other material or substance which, even if not regulated by law or requirements as aforesaid, may or could, in Subtenant's reasonable opinion, pose a hazard to the health and safety of the current or future occupants of the Subleased Premises or the Building, or the owners or occupants of the property adjacent to or in the vicinity of the Subleased Premises or the Building including without limitation, all chemical and biohazardous waste in connection with the operation of Subtenant's business.

The cost of handling or disposal of biohazardous or chemical or other hazardous waste generated by any activities of Subtenant shall be the sole responsibility of Subtenant, at Subtenant's sole cost and expense. Where possible, Subtenant shall use the same contractor as used by Landlord to dispose of such waste. All of the above activities are hereinafter referred to as "Restricted Activities". Subtenant shall be solely responsible for and shall defend, indemnify, and hold Landlord, and its agents, successors, and assigns harmless from and against all claims, actions, damages, liabilities, and expenses (including without limitation, fees of attorneys, investigators, and experts) arising out of or in connection with the (1) Restricted Activities by Subtenant, its agents, contractors, employees, licensees, or invitees, and (2) the removal, cleanup, and restoration work and materials necessary to return the Subleased Premises, the Building, and any other property of whatever nature (including, but not limited to, property adjacent to or in the vicinity of the Subleased Premises and the Building) to their condition existing prior to the Restricted Activities. Subtenant's obligations hereunder shall survive for a period of 12 months after the termination of this Sublease, or the longest period prescribed by applicable law. If at any time during or within 12 months after the term and any extended term of this Sublease, Subtenant becomes aware of any inquiry, investigation, administrative proceeding, or judicial proceeding regarding the Restricted Activities, Subtenant shall within five (5) days after first learning of such inquiry, investigation, or proceeding give Landlord written notice providing all available information regarding such inquiry, investigation, or proceeding.

5. Rent

- A) Subtenant shall pay an additional Special Use monthly rental fee of \$_____ to Landlord at the address provided in the Sublease, in consideration of the grant of Special Use space provided herein.
- B) In addition to the Special Use monthly rental fee, monthly 6.5% gross sales tax in the amount of \$_____ shall be paid to Landlord at the same time and location.
- C) A Special Use security deposit of \$_____ shall be due upon signing this Addendum.

- D) Fees for approved alterations or additions to the Subleased Premises, pursuant to Article 2 above, shall be paid according to the terms set out in documents wherein the alterations or additions are described and approval is granted, which shall be incorporated herein upon execution by both parties.

6. Hazardous Substances in Laboratory Operations.

A) Subtenant acknowledges that areas of the Building may be used for a restaurant, food service, and other non-laboratory uses, and Subtenant covenants to use best industry practices in the conduct of all laboratory operations and the storage, use, treatment, and disposal of Hazardous Substances at the Premises. In all events Subtenant shall comply with all applicable provisions of the standards of the U.S. Department of Health and Human Services as further described in the USDHHS publication Biosafety in Microbiological and Biomedical Laboratories (5th Edition, December 2009) as it may be further revised, or such nationally recognized new or replacement standards as may be reasonably selected by Landlord. Any Hazardous Substances permitted to be stored on the Premises pursuant to the Sublease shall be stored in areas of the Premises exclusively designated by Subtenant for such purpose. Subtenant agrees to pay the reasonable cost of any environmental inspection or assessment required by any governmental agencies, or by any insurance carrier, to the extent that such inspection or assessment pertains to any release, threat of release, contamination, claim of contamination, loss or damage in the Premises arising out of Subtenant's use and occupancy thereof.

B) Information Regarding Hazardous Substances. As a material inducement to Landlord to allow Subtenant to use Hazardous Substances in connection with its operations at the Premises, Subtenant shall provide the following information and documentation to Landlord in writing prior to the commencement date and thereafter shall update such information and documentation as specifically described below, which updates shall reflect any material changes in such information and documentation:

(a) An inventory of all Hazardous Substances that Subtenant receives, uses, handles, generates, transports, stores, treats, or disposes of from time to time, or at the time of preparation of such inventory proposes or expects to use, handle, generate, transport, store, treat, or dispose of from time to time, in connection with its operations at the Premises. Such inventory shall include, but shall separately identify, any: (i) any waste listed as or meeting the identified characteristics of a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under any applicable environmental laws; (ii) any and all substances and materials defined or referred to as a "medical waste," "biological waste," "biomedical waste," "biohazardous waste," "biohazardous material," or any other term of similar import under any Environmental Laws (including, without limitation, Section 381.0098, Florida Statutes, and any regulations promulgated thereunder, as amended from time to time) (collectively, "Biohazardous Materials"); or (iii) any and all substances and materials the receipt, storage, use, generation, release, transportation, treatment, or disposal of which requires an approval, consent, permit, or license from the Nuclear Regulatory Commission, and any and all other substances and materials defined or referred to as "radiation," a "radioactive material," or "radioactive waste," or any other term of similar import under any applicable Governmental Requirements (including, without limitation, any statutes, regulations, or other laws administered, enforced, or promulgated by the Nuclear Regulatory Commission). Such inventory shall include, for each type of Hazardous Substance listed: (1) the chemical name; (2) the material state (e.g., solid, liquid, gas, or cryogen); (3) the concentration levels; (4) the storage amount and storage condition (e.g., in cabinets or not in cabinets); (5) the use amount and use condition (e.g., open use or closed use); (6) the location (e.g., room number or other identification); and (7) if known, the chemical abstract service number. If such inventory includes any Biohazardous Materials, Subtenant shall also disclose in writing to Landlord the Biosafety Level designation associated with the use of such materials. Such inventory shall be updated annually, in January of each calendar year.

(c) All Material Safety Data Sheets ("MSDSs"), if any, required to be completed with respect to operations of Subtenant at the Premises from time to time in accordance with 42 U.S.C. Section 11021, or any amendments thereto, and any Hazardous Substances Inventory Sheets that detail the MSDSs. Such information shall be updated annually upon Landlord's written request.

(d) All hazardous waste manifests, if any, that Subtenant is required to complete from time to time in connection with its operations at the Premises. Such information shall be updated from time to time upon Landlord's written request.

(e) Copies of any other lists, reports, studies, or inventories of Hazardous Substances or of any subcategories of materials included in Hazardous Substances that Subtenant is otherwise required to prepare and file from time to time with any governmental or quasi-governmental authority in connection with Subtenant's operations at the Premises (including, without limitation, reports filed by Subtenant with the Federal Food & Drug Administration or any other regulatory authorities primarily in connection with the presence (or lack thereof) of any "select agents" or other Biohazardous Materials on the Premises), together with proof of filing thereof as available (which proof may be provided in the form of receipt or proof of signature provided by an overnight shipper unless other formal proof of filing from the receiving party is readily available). Such information shall be updated from time to time upon Landlord's written request.

(f) Any other information reasonably requested by Landlord in writing from time to time in connection with: (i) Landlord's monitoring (in Landlord's reasonable discretion) and enforcement of Subtenant's obligations under this Addendum and of compliance with applicable Governmental Requirements in connection with any receipt, storage, use, generation, release, transportation, treatment, or disposal of Hazardous Substances in the Premises or Building or on or about the Project by any Subtenant Party; and (ii) Landlord's preparation (in Landlord's discretion) and enforcement of any reasonable rules and procedures relating to the presence or receipt, storage, use, generation, release, transportation, treatment, or disposal by Subtenant of Hazardous Substances in the Premises or Building, including (but not limited to) any contingency plans or emergency response plans. Such information shall be updated from time to time upon Landlord's written request.

C) If (i) Subtenant has been required by any prior landlord, lender, or Governmental Authority to take material remedial action in connection with Hazardous Substances contaminating a property if the contamination resulted from such party's action or omission or use of the property in question; or (ii) Subtenant is subject to a material enforcement order issued by any Governmental Authority in connection with the use, disposal, or storage of Hazardous Substances, then Landlord shall have the right to terminate the Sublease in Landlord's sole and absolute discretion (with respect to any such matter involving Subtenant).

D) Landlord's Testing Rights. At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests to demonstrate that Hazardous Substances are present or that contamination has occurred due to the acts or omissions of Subtenant. Subtenant shall pay all reasonable costs of such tests if such tests reveal that Hazardous Substances exist at the Premises in violation of the Sublease.

E) Laboratory Decommissioning. Prior to the expiration or earlier termination of the Term, Subtenant shall clean and otherwise decontaminate and decommission all interior surfaces (including floors, walls, ceilings, and counters); piping, supply lines, waste lines, and plumbing in or serving the Premises; and all exhaust or other ductwork in or serving the Premises, in each case that has carried, released, or otherwise been exposed to any Hazardous Substances, and shall otherwise clean the Premises so as to permit

the report hereinafter called for by this Exhibit "C" to be issued. Not later than thirty (30) days after the expiration or earlier termination of the Term, Subtenant, at Subtenant's expense, shall obtain for Landlord a report addressed to Landlord (and, at Subtenant's election, Subtenant) by a reputable, licensed environmental engineer or industrial hygienist that is designated by Subtenant and acceptable to Landlord in Landlord's reasonable discretion, which report shall be based on such environmental engineer's or industrial hygienist's inspection of the Premises and shall state, to Landlord's reasonable satisfaction, that: (i) the Hazardous Substances, to the extent existing prior to such decontamination and decommissioning, have been removed in accordance with Legal Requirements and best industry practices, including, without limitation, the applicable standards of the American National Standards Institute including ANSI standard BSR/AIHA Z9.11-2008 governing laboratory decontamination and decommissioning (the "Laboratory Decommissioning Standard"); (ii) all Hazardous Substances, if any, have been removed in accordance with applicable Legal Requirements and best industry practice including, without limitation, the Laboratory Decommissioning Standard, from the interior surfaces of the Premises (including floors, walls, ceilings, and counters), piping, supply lines, waste lines and plumbing, and all such exhaust or other ductwork in the Premises may be reused by Landlord in compliance with Legal Requirements without incurring special costs on account of such Hazardous Substances or undertaking special procedures for demolition, disposal, investigation, assessment, cleaning, or removal of such Hazardous Substances and without giving notice to any Governmental Authorities in connection with such Hazardous Substances; and (iii) the Premises may be reoccupied for office or laboratory use, demolished or renovated without incurring special costs on account of such Hazardous Substances or undertaking special procedures for disposal, investigation, assessment, cleaning, or removal of Hazardous Substances and without giving notice to any Governmental Authorities in connection with Hazardous Substances. Further, for purposes of this Exhibit "C" "special costs" or "special procedures" means costs or procedures, as the case may be, that would not be incurred but for the nature of the substances as Hazardous Substances as distinguished from non-Hazardous Substances. The report shall also include reasonable detail concerning the clean-up measures taken, the clean-up locations, the tests run, and the analytic results. The obligation to provide said report shall survive the termination or expiration of this Sublease.

F) Landlord Cure Right. If Subtenant fails to perform its obligations under this Exhibit "C," then without limiting any other right or remedy, Landlord may, on five (5) Business Days' prior written notice to Subtenant, perform such obligations at Subtenant's expense, and Subtenant shall within ten (10) days following demand reimburse Landlord for all reasonable out-of-pocket costs and expenses incurred by Landlord in connection with such work.

G) Remediation. If the presence of any Hazardous Substances in, on, under, or about the Premises, any portion thereof, or any adjacent property caused or permitted by Subtenant results in any contamination of the Premises or Building, any portion thereof, or any adjacent property, then Subtenant shall promptly take all actions at its sole cost and expense as are necessary to return same to its respective condition existing prior to the time of such contamination; provided, however, that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Premises or Building, any portion thereof, or any adjacent property.

H. Odors and Exhaust. Subtenant acknowledges that Landlord would not enter into this Sublease with Subtenant unless Subtenant gave Landlord reasonable assurances that other occupants of the Building or the Premises (including persons legally present in any outdoor areas of the Building) will not be subjected to an Odor Nuisance (as defined below) and that the Building and the Premises will not be damaged by any exhaust, in each case from Subtenant's operations in the Premises. Landlord and Subtenant acknowledge, however, that the nature of the use may result in certain odors and fumes, which will be abated in accordance with this Section H. Landlord and Subtenant therefore agree as follows:

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(a) Subtenant shall not knowingly cause or conduct any activities that would cause an Odor Nuisance. For purposes hereof, an "Odor Nuisance" means any release of any offensive or noxious odors or fumes from the Premises, which release either creates a nuisance or materially and adversely impacts any portion of the Building, the Premises, or the use of any portion of the Building or Premises by Landlord or other tenants.

(b) Subtenant acknowledges Landlord's legitimate desire to maintain the Premises (including both its indoor and outdoor areas) in a manner reasonably free of any Odor Nuisance and Landlord may require Subtenant to abate any such Odor Nuisance in a reasonable manner that goes beyond the requirements of Governmental Requirements in accordance with Section H(e) below.

(c) If at any time during the Term Landlord receives complaints from other Subtenants or occupants of the Building or Premises of an Odor Nuisance, Landlord and Subtenant will cooperate promptly and reasonably in order to satisfactorily resolve any odor issues.

(d) Subtenant's responsibility to remove, eliminate, and abate any Odor Nuisance shall continue throughout the Term.

I. Notwithstanding any other provision of this Sublease, Landlord, for itself and its employees, agents, and contractors, reserves the right to refuse to perform any repairs or services in any portion of the Premises which, pursuant to Subtenant's routine safety guidelines, practices or custom, or prudent industry practices, require any form of protective clothing or equipment other than safety glasses.

J. Insurance and Waiver of Claims. In addition to those coverages required to be maintained by Subtenant in the Sublease, Subtenant shall, at its expense, at all times during the Term hereof, carry pollution and environmental liability insurance covering the environmental risks of Subtenant's business and use of the Premises with limits of not less than One Million Dollars (\$1,000,000) per incident and not less than Five Million Dollars (\$5,000,000) in the aggregate, with respect to environmental contamination and pollution of the Premises caused by Subtenant. Such environmental coverage shall include bodily injury, sickness, disease, death, or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges, and expenses incurred in the investigation, adjustment, or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants, or pollutants into or upon land, the atmosphere, or any watercourse or body of water.

K. Subtenant's storage, handling, removal and disposal of all medical waste matter at or from the Premises shall be done in compliance with all Governmental Requirements now or hereafter existing and shall be performed by Subtenant at Subtenant's sole cost and expense. Subtenant shall provide separate dedicated waste containers for all medical, bio-hazardous and radiological wastes to prevent them from being mixed with all other wastes generated from the Premises.

This Special Use Addendum is hereby incorporated by reference in its entirety within the Sublease Agreement to which it refers.

No other additions, amendments or changes are made or implied to the Sublease as originally executed, and all other requirements therein shall be binding and continue in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Special Use Addendum to be executed by their duly authorized representatives as of the last day and year, written below.

Landlord:
University of Central Florida
Board of Trustees

Subtenant:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT D

PRIMARY LEASE ADDENDUM

THIS PRIMARY LEASE ADDENDUM (the "**Addendum**") is made and entered into as of the ____ day of _____, 20__ by and between **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES ("UCF")** and _____ ("**Subtenant**").

RECITALS:

- A. Lake Nona Innovation Center I, LLC ("**Primary Landlord**") and UCF entered into that certain Lease dated _____, 2016 as the same may have been amended (the "**Primary Lease**"), pertaining to the premises more particularly described therein (the "**Primary Premises**").
- B. UCF and Subtenant have entered into that certain Sublease attached hereto (the "**Sublease**"), providing for the subletting of a portion of the Primary Premises from UCF to Subtenant, (the "**Subleased Premises**"), and this Addendum is incorporated into the Sublease and is part thereof.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

- 1. Recitals. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein as fully as if set forth herein verbatim.
- 2. Covenants. Notwithstanding any other provision in the Sublease to the contrary, the parties do hereby agree as follows:
 - (a) With respect to any event or condition requiring Primary Landlord's consent or approval under the Primary Lease, Subtenant or UCF shall be obligated to obtain Primary Landlord's prior, written consent to such event or condition.
 - (b) Subtenant shall not be permitted to assign the Sublease or further sublease the Subleased Premises.
 - (c) The Sublease shall be subject and subordinate at all times in all respects to all of the covenants, agreements, terms, provisions and conditions of the Primary Lease.
 - (d) No alteration, addition or physical change will be made in or to the Subleased Premises, or any part thereof, without Primary Landlord's prior written consent in each instance.
 - (e) Any insurance required to be provided by the Subtenant under the Sublease must also name Primary Landlord as an additional insured.
 - (f) Primary Landlord and Subtenant shall not be deemed to be in privity of contract under the Sublease or the Primary Lease. Primary Landlord shall not be obligated to Subtenant under any of the provisions of the Sublease. Primary Landlord is not a party to the Sublease. Primary Landlord's consent to the Sublease does not constitute its consent to any particular terms and conditions of the Sublease and Primary Landlord shall not be bound by or obligated to perform any of the terms and conditions of the Sublease.

(g) Nothing contained herein or in the Sublease shall enlarge or increase Primary Landlord's obligations or liabilities under the Primary Lease or otherwise and in the event of a default under the Primary Lease which results in the termination of UCF's possessory rights in the Primary Premises, Subtenant's possessory rights in the Subleased Premises shall also be automatically terminated.

(h) The term of the Sublease shall not extend beyond the expiration of the term of the Primary Lease.

(i) UCF shall not be released in any manner from any of its obligations under the Primary Lease.

(j) Any options provided to UCF in the Lease shall not be extended to or exercised by Subtenant.

(k) Primary Landlord shall have the right, if UCF defaults under its obligations to Primary Landlord, to collect all rents directly from Subtenant and apply the net amount collected to rent owed under the Lease, but no action by Primary Landlord to collect rent owed from Subtenant shall be deemed a release of UCF of any obligation under the Primary Lease, nor shall it create a contractual relationship between Subtenant and Primary Landlord, or give Subtenant any greater estate or right to the Subleased Premises other than provided by the Sublease. In the event that the Sublease is assigned by UCF to Primary Landlord, Subtenant shall attorn to Primary Landlord as the "Sublandlord" under the Sublease.

(l) Subtenant hereby agrees to indemnify, defend and hold Primary Landlord harmless from and against any and all loss, cost, damage, claim, injury, liability or expense, including, without limitation, attorneys' fees and other legal expenses whether incurred at or before the trial level or in any appellate, bankruptcy or administrative proceeding arising out of (i) Subtenant's use and occupancy of the Subleased Premises or any portion thereof; (ii) any activity, work or other thing done, permitted or suffered by Subtenant in or about the Subleased Premises or the Building, or any part thereof; (iii) any breach or default by Subtenant in the performance of its obligations under the Sublease, or (iv) any act, omission or negligence of Subtenant, or any officer, agent, employee, contractor, servant, invitee or guest of Subtenant. If any action be brought against Primary Landlord, Subtenant, upon notice from Primary Landlord, shall defend the same through counsel selected by Subtenant's insurer or other counsel, in each case acceptable to Primary Landlord. Subtenant assumes all risk of damage or loss to its property or injuries or death to persons in, on or about the Subleased Premises from all causes except those for which the law imposes liability on Primary Landlord regardless of any attempted waiver thereof, and Subtenant hereby waives such claims in respect thereof against Primary Landlord. The provisions of this subparagraph shall survive the termination of the Sublease.

3. Conflict. In the event of a conflict between this Addendum and the remaining terms of the Sublease, the terms of this Addendum shall prevail. No amendment of this Addendum shall be legally enforceable without the consent of Primary Landlord, and Primary Landlord shall be deemed a third party beneficiary of the terms of this Addendum.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Addendum as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

SUBTENANT:

_____,
a _____

Print Name: _____

Print Name: _____

By: _____
Print Name: _____
Its: _____

[SEAL]

UCF:

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES,** a public body
corporate

Print Name: _____

Print Name: _____

By: _____
Print Name: _____
Its: _____

[SEAL]

EXHIBIT "E"

PARKING PROVISIONS

1. As provided in the Primary Lease, Landlord shall provide Subtenant with access to and non-exclusive use of the parking field by Subtenant, its employees, invitees and guests.
2. There shall be no parking charge for Subtenant's employees and visitors.
3. Subtenant shall at all times comply with all applicable Governmental Requirements respecting the use of the parking field.
4. Landlord reserves the right to adopt, modify and enforce reasonable rules governing the use of the parking field from time to time not in conflict with the Lease, including any key card, sticker or other identification or entrance system (collectively, the "Parking Rules"), and Subtenant agrees to comply with and be bound by such Parking Rules in effect from time to time. Landlord may refuse to permit any person who violates such Parking Rules to park in the parking field, and any violation of the Parking Rules shall subject the car to removal from the parking field at the car owner's expense.
5. The parking spaces in the parking field shall be provided on an unreserved "first come, first served" basis, subject to Primary Landlord's right to reasonably designate certain reserved parking spaces for Building tenants in Primary Landlord's sole discretion.
6. Primary Landlord also reserves the right to close all or any portion of the parking field in order to make repairs or perform maintenance services, or to alter, modify, re stripe or renovate the parking field. Landlord will provide Subtenant with advance written notice of any such actions by Primary Landlord. Landlord will exercise its rights under this paragraph in such a manner so as to minimize interference with Subtenant's access to and use of the parking field, to the extent possible under the circumstances.
7. Primary Landlord reserves the right, without any obligation, to provide valet parking service to the Building, but Subtenant shall not be obligated to use such valet parking service.

ITEM: FFC-6

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Medically Integrated Fitness and Sports Performance Center in Lake Nona

DATE: October 18, 2017

PROPOSED COMMITTEE ACTION

Approve the participation of UCF Academic Health, Inc., in a Medically Integrated Fitness and Sports Performance Center at Lake Nona and also authorize UCF Academic Health and Central Florida Clinical Practice Organization to approve the execution and implementation of all necessary agreements.

BACKGROUND INFORMATION

UCF Academic Health, Inc., is a university direct support organization established in 2016 to develop partnerships and collaborations that serve the missions of the College of Medicine including education, research, and patient care.

Central Florida Clinical Practice Organization is a university Faculty Practice Plan Corporation established in 2008 to support the operations of the College of Medicine faculty practice and related clinical activities.

Academic Health and Clinical Practice Organization have been working with partners Tavistock, Signet, and Integrated Wellness Partners, who are developing in Lake Nona a Medically Integrated Fitness and Sports Performance Center. The center will include a proposed clinical services location for UCF Health and provide research and educational opportunities in health and wellness for medical students, residents, and other UCF health sciences students and faculty.

Academic Health proposes to enter into an affiliation agreement and sublicense agreement with the developers of the fitness and sports center. Clinical Practice Organization will lease 10,000 square feet in the center for UCF clinical and community activities.

Approval of the project by the UCF Finance and Facilities Committee and the Board of Trustees is requested to authorize Academic Health and Clinical Practice Organization to finalize and implement these agreements.

Supporting documentation: Attachment A: Proposed Lake Nona Wellness Center
Attachment B: Summary of Key Terms and Agreements

Prepared by: Jeanette C. Schreiber, Associate Vice President for Medical Affairs
and Chief Legal Officer for the UCF College of Medicine

Submitted by: Deborah C. German, Vice President for Medical Affairs and Dean of the
UCF College of Medicine

Attachment A

Proposed Lake Nona Wellness Center

A Medically Integrated Fitness and Sports Performance Center

October 18, 2017

Lake Nona Wellness Center Vision

- An advanced wellness and fitness center that provides comprehensive services and integrates clinical care, research, and education
- Members can access comprehensive services, from injury and disease care to sports performance and wellness coaching
- Students learn care that promotes health and wellness, manages chronic conditions, and treats acute problems in a multidisciplinary setting
- Researchers study effectiveness of interventions for maintaining health, managing illness, avoiding and recovering from injury, and advancing sports performance
- Adjacent to the UCF Health Sciences Campus and UCF Lake Nona Medical Center
- UCF Health practice location – orthopedics, sports medicine, internal medicine, and physical therapy
- Serving greater Lake Nona community – residents, employers, and sports programs

Participants

- Tavistock
- Signet
- Integrated Wellness Partners
- UCF Academic Health affiliation including sublicense of UCF name
- Central Florida Clinical Practice Organization to lease 10,000 square feet for UCF clinical and community space



OLSON LAYOFF COLLABORATIVE
Architecture • Aquatics • Interior Design
816 East Spruce Blvd., Denver, CO 80203
T: 303.294.9244 F: 303.294.9440

LAKE NONA WELLNESS CENTER

LAKE NONA, ORLANDO
FLORIDA

SHEET: NORTH EAST 3D VIEW
DATE: 02/09/17
SCALE:
OLC #: 17008

A102



OLSON LAYOFF COLLABORATIVE
 Architecture • Aquatics • Interior Design
 616 East Speer Blvd., Denver, CO 80203
 T 303.294.9244 F 303.294.9462

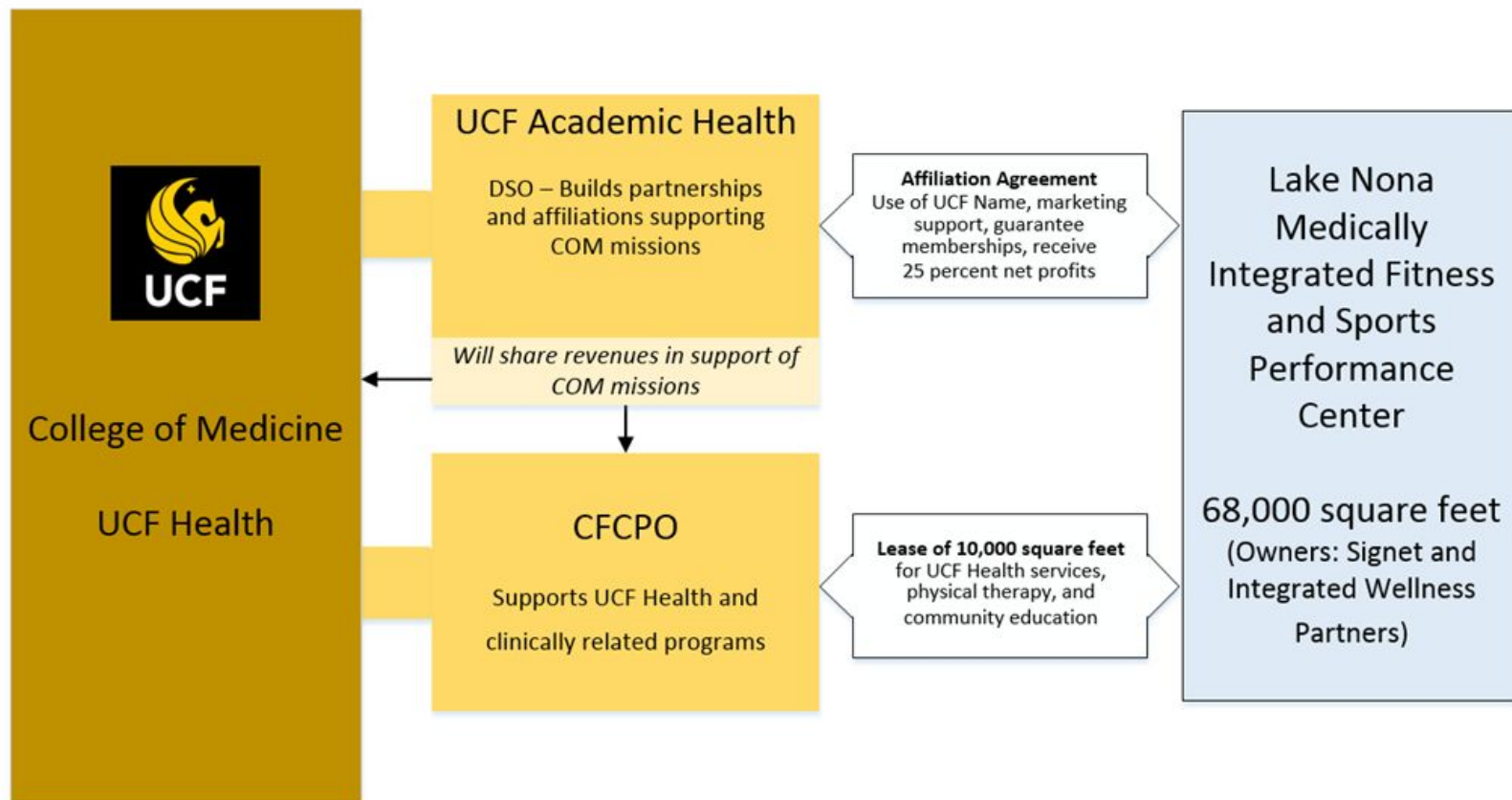
LAKE NONA WELLNESS CENTER

LAKE NONA, ORLANDO
 FLORIDA

SHEET: SOUTH EAST 3D VIEW **A103**
 DATE: 02/09/17
 SCALE:
 OLC # 17008

Proposed Lake Nona Wellness Center

A Medically Integrated Fitness and Sports Performance Center



Proposed Affiliation and Sublicense Agreements - UCF Academic Health

- Authorize use of the UCF name for the center
- Receive affiliation and license fees equal to 25 percent of the net profits of the Medically Integrated Fitness and Sports Performance Center, calculated as specified in the agreement, with a sample calculation to be included
- Provide two FTE marketing staff to help promote the services of the center (first four years)
- Guarantee sale of 195 memberships or other revenue producing services of \$210,000 annually (first four years)
- Provide medical director services by a UCF Health physician, paid by Integrated Wellness Partners (estimate 5 percent FTE)
- Share in one-time costs of marketing materials up to \$5,000
- UCF and UCF affiliates have exclusive right to provide clinical services, education, and research

Medically Integrated Fitness and Sports Performance Center: Projected Net Cash Flow to UCF Academic Health

Plan Achievement	Six-Year IRR	10-Year IRR	Net Cash Flow to UCF Academic Health – Six year	Net Cash Flow to UCF Academic Health – 10 year
120%	104%	107%	\$2,732,792	\$5,375,370
100%	68%	75%	\$1,818,814	\$4,461,392
80%	35%	51%	\$949,992	\$3,592,570

- The chart above reflects the Internal Rate of Return and Net Cash Flow to UCF Academic Health if Integrated Wellness Partners achieves 120 percent, 100 percent, and 80 percent of their projected operating results, and UCF Academic Health fulfills 100 percent of its membership recruitment commitment.
- Integrated Wellness Partners achieving its projected operating results is the primary driver of UCF Academic Health cumulative Net Cash Flow.
- As long as Integrated Wellness Partners achieves at least 70 percent of its projections, UCF Academic Health Net Cash Flow from the project will be positive.

Proposed Lease – Central Florida Clinical Practice Organization

- Lease 10,000 square feet of the total 68,000 square feet in the Medically Integrated Fitness and Sports Performance Center building
- 10-year lease term with two optional five-year extensions
- Includes clinical space for UCF Health, physical therapy, shared education space, and community kitchen
- UCF Health clinical services to include orthopedics, sports and internal medicine, and nutrition
- Sublease for physical therapy
- \$26 per square foot base rent to cover “fully built out space” ready to use as a medical office (does not include lead lining for x-ray or furniture, fixtures, and equipment)
- Common area maintenance estimated by developer at \$8 to \$9 per square foot

Agreements and Approvals Timeline

- Letter of Intent signed April 2017
- Agreements
 - UCF Academic Health: Affiliation Agreement and Sublicense Agreement between UCF Academic Health, Signet, and Integrated Wellness Partners
 - Central Florida Clinical Practice Organization: Lease between Clinical Practice Organization and Signet
- UCF Academic Health Board approval
 - Authorized Letter of Intent on March 7, 2017
 - Further review of project and authorized development of necessary agreements on August 15, 2017
- Clinical Practice Organization Board approval
 - Authorized lease and any related subleases on March 23, 2017
 - Reaffirmed approval on October 4, 2017
- UCF Academic Health and Clinical Practice Organization boards will authorize execution and implementation of final agreements

Requested Board of Trustees Approvals

- Approve UCF Academic Health participation in Lake Nona Medically Integrated Fitness and Sports Performance Center Project
- Authorize UCF Academic Health and Central Florida Clinical Practice Organization boards to continue with appropriate oversight and approvals of execution and implementation of necessary agreements

Attachment B

Lake Nona Medically Integrated Fitness and Sports Performance Center

Summary of Key Terms of Agreements

October 18, 2017

I. Proposed Affiliation Agreement

Parties: UCF Academic Health, Inc.; Signet Lake Nona, LLC (Signet); and Integrated Wellness Partners, LLC

Term: 10 years with up to two five-year renewals, coordinated with Sublicense Agreement and Lease

Key Terms of Agreement:

- UCF Academic Health will sublicense the UCF name and other UCF Indicia for a Medically Integrated Fitness and Sports Performance Center pursuant to Sublicense Agreement. (summarized below)
- UCF's Faculty Practice Plan Corporation will lease 10,000 square feet in the sports center. (Lease summarized below)
- UCF will provide a Medical Director to be compensated by Integrated Wellness Partners.
- UCF Academic Health and Affiliates will receive discounted pricing at the sports center.
- UCF Academic Health and Affiliates have the exclusive right to provide clinical services, education, and research, and to determine the clinical services and providers that will be located at the sports center.
- UCF Academic Health or Affiliate will provide the services of two FTE sales and marketing staff to promote the center and sell memberships and services for up to the first four years of operations.
- UCF Academic Health will guarantee the sale of 195 memberships or services of comparable value during each of the first four years of operations.
- UCF Academic Health may terminate for breach, or if Signet or Integrated Wellness Partners cause harm to the reputation of UCF Academic Health or UCF, or if Signet or Integrated Wellness Partners fail to follow best industry practices relating to quality, safety, or operations.
- Signet and Integrated Wellness Partners indemnify UCF Academic Health and UCF for any claims associated with the sports center and provide insurance.

II. Proposed Non-Exclusive Sublicense Agreement

Parties: UCF Academic Health, Inc.; Signet Lake Nona, LLC (Signet); and Integrated Wellness Partners, LLC. (Signet and Integrated Wellness Partners are Sublicensees.)

Term: 10 years with two five-year extension options to be coordinated with Affiliation Agreement

Key Terms:

- UCF Academic Health grants a revocable, non-exclusive right and license to use the UCF name and certain UCF-owned marks and logos (“UCF Indicia”) to Signet and Integrated Wellness Partners, in connection with the sports center and its services.
- License is subject to terms and conditions of Sublicense Agreement, including UCF Brand and Identity Guidelines and Guidelines of Use and UCF Graphics Standards as provided on the website.
- Any specific instance of the use of the UCF Indicia shall be preapproved in writing by UCF Academic Health.
- UCF remains the sole and exclusive owner of the UCF Indicia, all other associated rights and derivatives, and any goodwill associated with the use of the UCF Indicia.
- Signet and Integrated Wellness Partners acknowledge that UCF (through UCF Academic Health) has the right to control the quality of use of the UCF Indicia.
- Detailed provisions address coordination of approvals and compliance with UCF policies.
- UCF Academic Health shall be paid 25 percent of the sports center net cash flow for each operating year of the project (“Licensing Fees”). Calculation of Licensing Fees shall be based on the sum of all revenues received by Signet and Integrated Wellness Partners relating to or arising out of the operations of the sports center and its services, net of specified operating expenses and planned payments to priority return investors as agreed upon with UCF Academic Health. The Agreement is to include a sample calculation of the Licensing Fees, and the agreed upon accounting principles are to be used.
- Signet and Integrated Wellness Partners will indemnify UCF and UCF Academic Health and provide insurance.
- Sublicense may be terminated by UCF Academic Health for breach including any use of the UCF Indicia that reflects adversely on UCF or UCF Academic Health.
- UCF Academic Health must approve any assignment of the sublicense by Signet and Integrated Wellness Partners.

III. Proposed Medical Center Lease

Parties: Central Florida Clinical Practice Organization (CFCPO) (Tenant) and Signet Lake Nona, LLC (Signet) (Landlord)

Term: 10 years with two 5-year renewal options

Key Terms:

- Clinical Practice Organization will lease 10,000 square feet in the approximately 68,000-square-foot sports center building.
- Base rent shall be \$26 per square foot, net. The Landlord will complete work to design, construct, build out, occupy, and otherwise prepare the premises for the Tenant to include a fully built out and appropriately wired space in accordance with agreed upon plans and specifications, including associated plumbing, building standard finishes, and agreed upon interior finishes at the Landlord's sole cost and expense, exclusive of any furniture, fixtures, and equipment. Construction to be completed by an agreed upon Target Commencement Date.
- Tenant will pay a proportionate share of operating expenses, including maintenance, taxes, management, and operation of premises. Utilities will be metered separately.
- Landlord shall select the architect and contractor, subject to reasonable approval by the Tenant. The Tenant will have third-party enforcement rights.
- Tenant must approve a space plan that will be an exhibit to the Lease.
- Landlord-provided services include water, heating and air, electric, lighting and elevator service, and elevator maintenance. Additional services are subject to availability and expense.
- Landlord is responsible for repair and maintenance on the building's exterior and related improvements, including but not limited to the roof, structural walls, floors, and all equipment such as plumbing, heating, air conditioning, utility and other lines, and equipment, as well as the parking lot, sidewalks, drives, and landscaping. Tenant is responsible for interior maintenance.
- Landlord is responsible for providing parking spaces within a reasonable walking distance of the building.
- Lease is subject to the Landlord entering into a ground lease with Tavistock.

ITEM: INFO-1

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: UCF Investments Quarterly Report Ended June 30, 2017

DATE: October 18, 2017

For information only.

Supporting documentation: Attachment A: UCF Investments Quarterly Report

Prepared by: Tracy Clark, Associate Provost for Budget, Planning, and
Administration and Associate Vice President for Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance and
Chief Financial Officer

Attachment A

University of Central Florida
Total Operating Portfolio Summary⁽¹⁾
As of June 30, 2017

Cash & Non-Investment Portfolio	12/31/2016 Reported Value	3/31/2017 Reported Value
Bank of America	\$17,065,593	\$1,642,400
Valley National Bank - Money Market (formerly CNL)	\$5,022	\$5,026
SPIA	\$310,661,000	\$334,727,330
Total Cash & Non-Investment Portfolio	\$327,731,615	\$336,374,756

6/30/2017 Reported Value
\$10,511,701
\$0
\$297,205,654
\$307,717,355

Structured Investment Portfolio (BNY)	12/31/2016 Market Value	3/31/2017 Market Value	1st Quarter Gain/(Loss)	6/30/2017 Market Value	2nd Quarter Gain/(Loss)	Inception Gain/(Loss) ⁽²⁾
Pool I	\$0	\$0	\$0	\$0	\$0	\$85,786
Pool II	\$50,426,244	\$50,569,193	\$147,220	\$50,702,759	\$159,628	\$911,125
Fixed Income (Pool III) ⁽³⁾	\$103,382,890	\$103,998,106	\$623,246	\$104,585,595	\$639,158	\$12,357,845
Domestic Equity (Pool III)	\$22,492,032	\$23,853,165	\$1,361,133	\$24,588,271	\$735,106	\$14,690,508
Total Pool III	\$125,874,922	\$127,851,271	\$1,984,379	\$129,173,867	\$1,374,264	\$27,048,353
Fixed Income (Pool IV) ⁽⁴⁾	\$26,288,190	\$28,573,329	\$290,675	\$29,003,334	\$454,132	\$6,376,026
Domestic Equity (Pool IV)	\$44,149,565	\$42,837,823	\$2,688,258	\$44,157,998	\$1,320,175	\$29,135,803
International Equity (Pool IV)	\$9,484,451	\$12,439,266	\$954,815	\$13,392,332	\$953,065	\$3,732,635
Total Pool IV	\$79,922,207	\$83,850,418	\$3,933,748	\$86,553,664	\$2,727,372	\$39,244,464
Total Structured Investment Portfolio	\$256,223,373	\$262,270,881	\$6,065,347	\$266,430,290	\$4,261,264	\$67,289,730

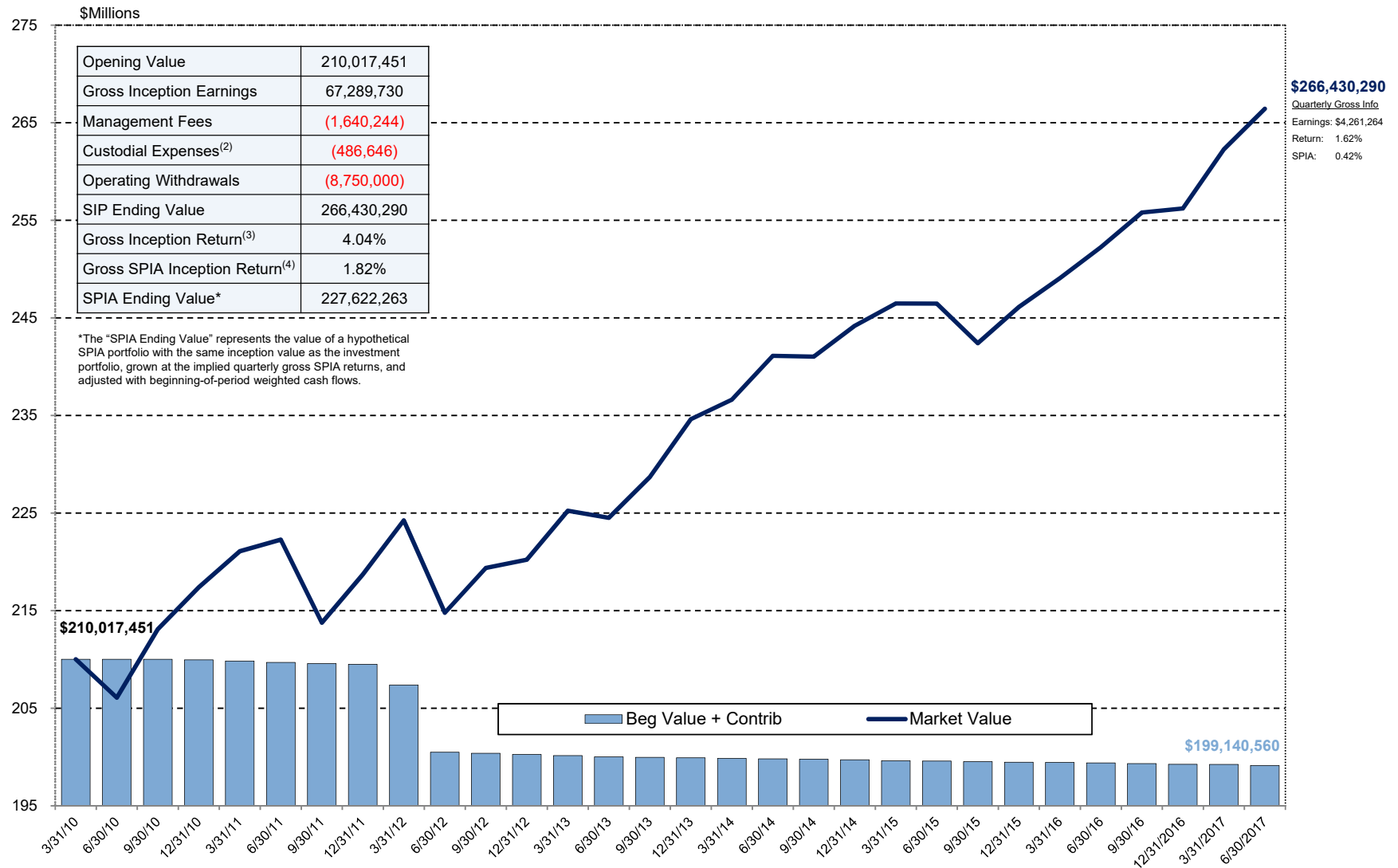
Total Operating Portfolio	\$583,954,988	\$598,645,638
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\$574,147,645	Total Equity Allocation	14.31%
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1. The portfolio gain/(loss) data is presented gross of management fees and portfolio expenses but net of physical cash flows.
2. The inception date for analysis is 3/31/10. The actual funding of the various portfolios occurred during March 2010.
3. Pool III's fixed Income market value includes the \$8,607 cash balance held in the Pool III mutual fund account.
4. Pool IV's fixed Income market value includes the \$28,861 cash balance held in the Pool IV mutual fund account.



University of Central Florida
Structured Investment Portfolio vs. Net Contributions⁽¹⁾
 As of June 30, 2017



1. Net contributions include cash flows associated with management fees, portfolio expenses and physical cash flows
2. Custodial expense figure is reduced by commission recapture income received
3. Annualized performance number. Net of management fees inception earnings = \$65,649,486. Net inception return = 3.94%
4. The gross SPIA inception return corresponds with the 3/31/10 inception of UCF's investment portfolio. Net inception SPIA return = 1.70%



University of Central Florida
Structured Investment Portfolio Investment Policy Compliance Checklist⁽¹⁾
As of June 30, 2017

Pool I:	Yes	No	N/A
Investments limited to registered 2a-7 mutual funds, CDARS, and or/SPIA.			✓

Pool II:	Yes	No	N/A
All fixed income investments shall maintain a minimum rating of "A-" or higher by a major credit rating service.	✓		
The weighted average quality of the fixed income portfolio shall maintain a rating of "AA+" or higher.	✓		
Duration of the fixed income portfolio shall not exceed the effective duration of the Merrill Lynch 1-Year Treasury index by 25%.	✓		
The maximum average effective maturity of any single security shall not exceed 3 years.	✓		
Operating Pool II shall maintain a dollar-weighted average effective maturity of 1 year or less.	✓		

Pool III Equity:	Yes	No	N/A
Investments in equity securities shall not exceed twenty-percent (20%) of the market value of Operating Pool III's assets.	✓		

Pool III Fixed Income:	Yes	No	N/A
All fixed income investments shall maintain a minimum rating of "A-" or higher by a major credit rating service.	✓		
The weighted average quality of the fixed income portfolio shall maintain a rating of "AA-" or higher.	✓		
The duration of the fixed income portfolio shall not exceed the effective duration of the benchmark by 50%.	✓		
Operating Pool III shall maintain a dollar-weighted average effective maturity of 7 years or less.	✓		

Pool IV Equity:	Yes	No	N/A
Investment in equity securities shall not exceed seventy-five percent (75%) of the market value of Operating Pool IV's assets.	✓		
Foreign securities shall not exceed twenty-percent (20%) of the market value of Operating Pool IV's assets.	✓		

Pool IV Fixed Income:	Yes	No	N/A
All fixed income investments shall maintain a minimum rating of "investment grade" or higher by a major credit rating service.	✓		
The weighted average quality of the fixed income portfolio shall maintain a rating of "A-" or higher.	✓		
Duration of the fixed income portfolio shall not exceed the effective duration of the benchmark by 50%.	✓		

1. Taken as an excerpt from the UCF quarterly performance evaluation report. Individual managers are also measured on an ongoing basis against a combination of 15 quantitative and qualitative criteria.



Target Policy Summary	
Pool I	100% 90 Day US T-Bills
Pool II	75% ML 1-Year Treasury + 25% 90 Day US T-bills
Pool III	85% ML 1-5 Year G/C A or Better + 15% S&P 500
Pool IV	35% Barclays Agg + 50% S&P 500 + 15% MSCI-ACWxUS

Pool I	\$0	Current Allocation
Cash & Equivalents	\$0	100.0%
Fidelity Money Market	\$0	

Pool II	\$50,702,759	Current Allocation
Short-Term Fixed Income	\$50,702,759	100.0%
Galliard Capital Management	\$50,702,759	

Pool III	\$129,173,867	Current Allocation
Intermediate Fixed Income (85%)	\$104,585,595	81.0%
Galliard Capital Management ⁽¹⁾	\$56,483,406	
Sawgrass Asset Management	\$48,102,189	
Domestic Equity (15%)	\$24,588,271	19.0%
Vanguard Institutional Index	\$24,588,271	

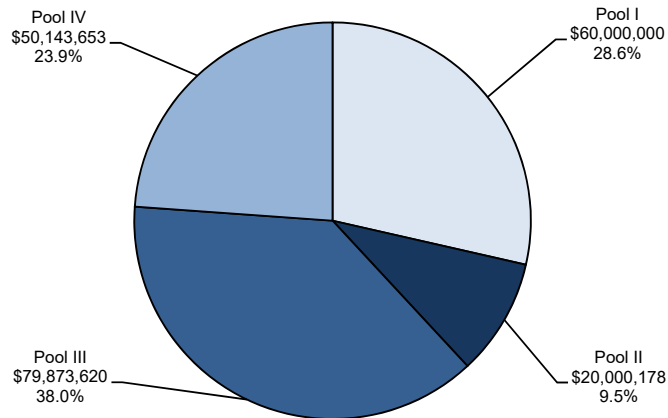
Pool IV	\$86,553,664	Current Allocation
Broad Market Fixed Income (35%)	\$29,003,334	33.5%
Galliard Capital Management ⁽²⁾	\$19,043,503	
Dodge & Cox Income	\$9,959,832	
Domestic Equity (50%)	\$44,157,998	51.0%
Vanguard Institutional Index	\$44,157,998	
International Equity (15%)	\$13,392,332	15.5%
Europacific Growth	\$13,392,332	

1. Pool III's Galliard Asset Management's market value includes the \$8,607.18 cash balance held in the Pool III mutual fund account.
2. Pool IV's Galliard market value includes the \$28,861.28 cash balance held in the Pool IV mutual fund account.

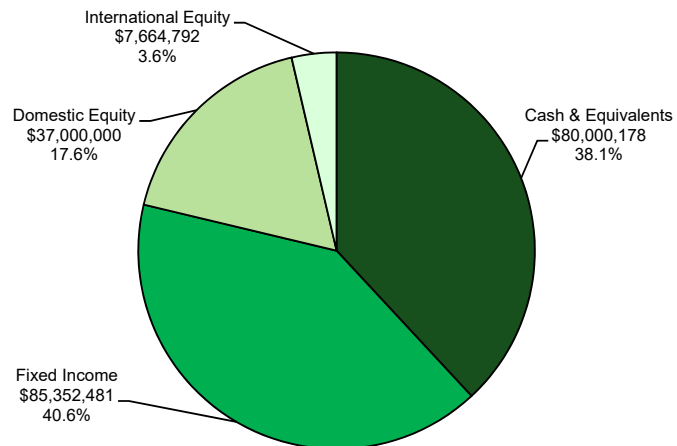


University of Central Florida
Initial Pool & Asset Allocation vs. Current Structured Investment Portfolio
 As of June 30, 2017

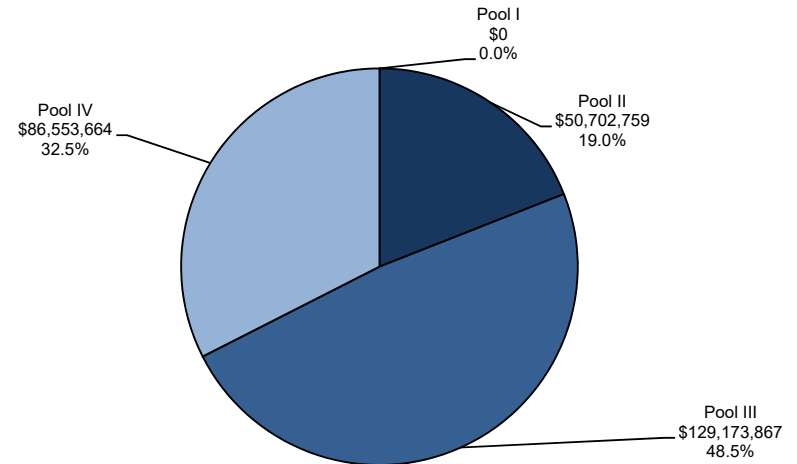
3/31/2010: \$210,017,451
Pool Allocation



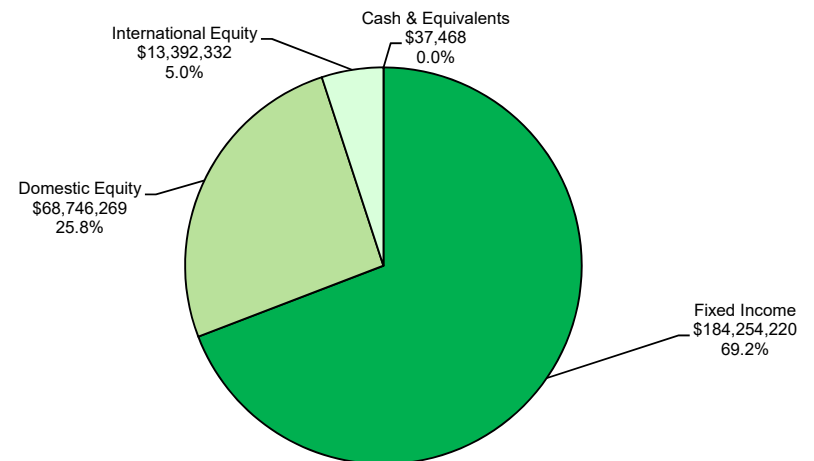
Asset Allocation



6/30/2017: \$266,430,290
Pool Allocation



Asset Allocation



ITEM: INFO-2

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: University Operating Budget Report Quarter Ended June 30, 2017

DATE: October 18, 2017

For information only.

Supporting documentation: Attachment A: UCF Operating Budget Quarterly Report

Prepared by: Tracy Clark, Associate Provost for Budget, Planning, and
Administration and Associate Vice President for Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance and
Chief Financial Officer

Attachment A

**University of Central Florida
Operating Budget Status**

June 30, 2017

Year-to-Date Activity and Variances

The attached reports include revenues and expenditures for the 12 months ended June 30, 2017, compared to the operating budget. Student credit hours are 0.8 percent higher than the enrollment plan and 2.8 percent higher than the prior year. Overall, revenues and expenditures as a percent of the operating budget are 85 percent and 86 percent, respectively, and are consistent with prior year. Specific activities and variances in certain budget categories are described below.

Educational & General

Revenues increased \$58.3 million. Tuition and fees increased \$12 million, which is primarily due to growth in enrollment and an increase in out-of-state students. Annual state appropriations increased \$45.7 million, primarily due to new performance-based funding, emerging preeminence funding, and special appropriations for specific legislative priorities.

Expenditures increased by \$28.6 million, primarily due to increases in salaries and benefits. These increases include investments in the university faculty hiring plan, as well as annual increases in salary, health, and retirement benefits.

Medical School

Revenues were consistent with prior year. Expenditures increased by \$1.7 million.

Compensation and benefits increased \$3.9 million due to additional faculty and clinical practice support personnel, as well as annual increases in salary, health, and retirement benefits. Capital purchases decreased \$2.7 million, primarily related to prior year expenditures for tenant improvements for the expansion of clinical space.

Auxiliary

Revenues increased by \$11.3 million from various sources, including medical residency programs, market rate programs, sponsorships, and interest income.

Expenditures increased by \$22.5 million, primarily due to funding transfers for the construction of the Interdisciplinary Research and Incubator Facility, as well as increases in salaries and benefits for medical residency programs and annual increases for other auxiliary operations.

University of Central Florida Operating Budget Status

June 30, 2017

Sponsored Research

Revenues increased by \$2.9 million, primarily related to increases in private grants.

Expenditures increased \$7.9 million, primarily due to increases in amounts transferred to the UCF Finance Corporation for debt service funding of \$2.3 million, salaries and benefits of \$2.1 million, subcontractor research expenses of \$1.4 million, and the funding to student financial aid for institutional awards of \$1.6 million, primarily for doctoral fellowships.

Student Financial Aid

Revenues increased by \$3.1 million. Private loans and scholarship funding increased \$2.9 million. Institutional funding increased \$2.8 million. State funding for Bright Futures decreased by \$3.7 million and was offset by an increase in other state awards by \$1.2 million.

Expenditures were consistent with prior year. Differences between revenues and expenditures are primarily due to advance funding for 2017-18 institutional awards.

Student Activities

Revenues and expenditures were consistent with prior year.

Concessions

Revenues were consistent with prior year. Expenditures increased by \$0.2 million to support the construction of academic buildings.

Technology Fee

Technology fee revenues were consistent with the prior year. Technology fee expenditure variances are due to timing differences in the progress of the various projects. Approximately 37 percent of 2016-17 and 92 percent of the prior years' awarded funds have been spent or transferred to Computer Services and Telecommunications for projects completed or in progress.

University of Central Florida

Operating Budget Report

as of June 30, 2017 (100% of year)

2016-17

	Revenue	Expenditures	Expenditure Budget	% of Budget Spent	Revenue as % of Budget	Revenue less Expenditures	Fund Balance (as of July 1)
Educational & General	\$ 614,282,623	\$ 599,526,404	\$ 758,722,027	79.0%	81.0%	\$ 14,756,219	\$ 156,615,927
Medical School	41,853,943	46,261,034	59,154,894	78.2%	70.8%	(4,407,091)	20,959,005
Auxiliary Enterprises	204,567,992	218,612,528	251,990,997	86.8%	81.2%	(14,044,536)	167,003,290
Sponsored Research	140,916,283	149,966,217	160,694,000	93.3%	87.7%	(9,049,934)	23,155,510
Student Financial Aid	477,479,206	474,311,627	513,219,163	92.4%	93.0%	3,167,579	28,184,468
Student Activities	21,164,838	21,066,242	23,750,000	88.7%	89.1%	98,596	9,832,332
Concessions	515,561	656,316	750,000	87.5%	68.7%	(140,754)	1,369,302
Technology Fee	9,286,723	8,463,635	9,100,000	93.0%	102.1%	823,088	8,648,574
	<u>\$ 1,510,067,168</u>	<u>\$ 1,518,864,001</u>	<u>\$ 1,777,381,081</u>	<u>85.5%</u>	<u>85.0%</u>	<u>\$ (8,796,833)</u>	<u>\$ 415,768,408</u>

2015-16

	Revenue	Expenditures	Expenditure Budget	% of Budget Spent	Revenue as % of Budget	Revenue less Expenditures	Fund Balance (as of July 1)
Educational & General	\$ 555,944,853	\$ 570,931,207	\$710,569,837	80.3%	78.2%	\$ (14,986,354)	\$ 171,602,281
Medical School	41,996,136	44,557,408	61,564,339	72.4%	68.2%	(2,561,272)	23,520,276
Auxiliary Enterprises	193,313,283	196,138,737	236,260,851	83.0%	81.8%	(2,825,454)	169,828,744
Sponsored Research	138,015,135	142,099,220	155,283,000	91.5%	88.9%	(4,084,085)	27,239,596
Student Financial Aid	474,420,524	473,882,142	507,419,674	93.4%	93.5%	538,382	27,646,086
Student Activities	21,196,612	20,384,312	20,500,000	99.4%	103.4%	812,300	9,020,033
Concessions	496,943	410,821	500,000	82.2%	99.4%	86,123	1,283,179
Technology Fee	9,269,994	7,969,234	9,100,000	87.6%	101.9%	1,300,760	7,347,815
	<u>\$ 1,434,653,481</u>	<u>\$ 1,456,373,082</u>	<u>\$ 1,701,197,701</u>	<u>85.6%</u>	<u>84.3%</u>	<u>\$ (21,719,601)</u>	<u>\$ 437,488,009</u>

University of Central Florida Operating Expenditure Report

as of June 30, 2017 (100% of year)

2016-17

	Expenditures - Amount					Expenditures - Percent of Total				
	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total
Educational & General	\$ 408,844,405	\$ 179,338,764	\$ 11,343,236	\$ -	\$ 599,526,404	68.2%	29.9%	1.9%	-	100.0%
Medical School	33,143,046	11,090,451	2,027,537	-	46,261,034	71.6%	24.0%	4.4%	-	100.0%
Auxiliary Enterprises	73,786,538	127,876,216	2,938,310	14,011,463	218,612,528	33.8%	58.5%	1.3%	6.4%	100.0%
Sponsored Research	67,459,945	75,789,435	6,716,837	-	149,966,217	45.0%	50.5%	4.5%	-	100.0%
Student Financial Aid	5,054,647	469,243,275	13,705	-	474,311,627	1.1%	98.9%	0.0%	-	100.0%
Student Activities	10,442,467	10,566,408	57,367	-	21,066,242	49.6%	50.2%	0.3%	-	100.0%
Concessions	8,318	647,998	-	-	656,316	1.3%	98.7%	-	-	100.0%
Technology Fee	170,116	6,797,772	1,495,746	-	8,463,635	2.0%	80.3%	17.7%	-	100.0%
	\$ 598,909,481	\$ 881,350,319	\$ 24,592,738	\$ 14,011,463	\$ 1,518,864,001	39.4%	58.0%	1.6%	0.9%	100.0%

2015-16

	Expenditures - Amount					Expenditures - Percent of Total				
	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total	Salaries and Benefits	Expenses	Capital Purchases	Debt Service	Total
Educational & General	\$ 381,061,382	\$ 178,170,557	\$ 11,699,268	\$ -	\$ 570,931,207	66.7%	31.2%	2.0%	-	100.0%
Medical School	29,292,510	10,587,017	4,677,880	-	44,557,408	65.7%	23.8%	10.5%	-	100.0%
Auxiliary Enterprises	62,961,673	116,530,030	2,081,759	14,565,275	196,138,737	32.1%	59.4%	1.1%	7.4%	100.0%
Sponsored Research	65,316,573	71,095,859	5,686,788	-	142,099,220	46.0%	50.0%	4.0%	-	100.0%
Student Financial Aid	4,963,707	468,918,436	-	-	473,882,142	1.0%	99.0%	-	-	100.0%
Student Activities	10,225,631	10,111,932	46,749	-	20,384,312	50.2%	49.6%	0.2%	-	100.0%
Concessions	8,754	402,066	-	-	410,821	2.1%	97.9%	-	-	100.0%
Technology Fee	1,138	6,129,304	1,838,792	-	7,969,234	0.0%	76.9%	23.1%	-	100.0%
	\$ 553,831,369	\$ 861,945,200	\$ 26,031,237	\$ 14,565,275	\$ 1,456,373,082	38.0%	59.2%	1.8%	1.0%	100.0%

University of Central Florida

Operating Budget Report

as of June 30, 2017 (100% of year)

Statistical Information

Student Credit Hours¹

Actual Compared to UCF Plan

	2016-17			
	Actual	Plan	Difference	% Variance
Summer ²	244,369	239,222	5,147	2.2%
Fall	690,075	685,040	5,035	0.7%
Spring	660,185	657,650	2,535	0.4%
	1,594,629	1,581,912	12,717	0.8%

2015-16			
Actual	Plan	Difference	% Variance
233,465	229,982	3,483	1.5%
673,558	659,726	13,832	2.1%
644,206	631,585	12,621	2.0%
1,551,229	1,521,293	29,936	2.0%

Current Year Compared to Prior Year

	2016-17	2015-16	Difference	% Variance
Summer ²	244,369	233,465	10,904	4.7%
Fall	690,075	673,558	16,517	2.5%
Spring	660,185	644,206	15,979	2.5%
	1,594,629	1,551,229	43,400	2.8%

2015-16	2014-15	Difference	% Variance
233,465	225,671	7,794	3.5%
673,558	651,023	22,535	3.5%
644,206	629,605	14,601	2.3%
1,551,229	1,506,299	44,930	3.0%

Additional Statistical Information

	2016-17	2015-16	Difference	% Variance
Student headcount - Fall 2016 and 2015	64,335	63,016	1,319	2.1%
Percent in-state students - Fall 2016 and 2015	92.5%	93.3%	-0.8%	
Foundation endowment - June 30, 2016, and 2015	\$ 144,921,082	\$ 148,880,171	\$ (3,959,089)	-2.7%
Foundation assets - June 30, 2016, and 2015	\$ 301,206,225	\$ 289,918,298	\$ 11,287,927	3.9%
On-campus housing, including Greek housing ³	6,907			
Rosen Campus housing ³	384			
Affiliated housing ³	3,756			
Managed housing ³	594			
Gross square footage - Orlando Campus ³	8,217,095			
Acreage - Orlando Campus ³	1,415			

¹ Medical students are not included in student credit hours.

² Summer 2016 data. Summer 2017 will be included in 2017-18 reporting.

³ As of Fall 2016.

University of Central Florida Operating Budget Status

June 30, 2017

Budgets

Educational & General. The Educational & General budget includes expenditures for instructional activities and related administrative support. This budget is funded by general revenue, Educational Enhancement funds, and student fees. E&G student fees include tuition and out-of-state fees.

Auxiliary Enterprises. Auxiliary enterprises include those activities that are not instructional in nature but support the operation of the university. The primary auxiliary areas include Housing, Student Health Services, Parking Services, Computer Store, Telecommunications, Continuing Education, Dining Services, and the Bookstore. The auxiliaries must generate adequate revenue to cover expenditures and allow for future renovations and building or equipment replacement, if applicable. Several of the auxiliaries are partially or wholly funded by student fees, including Student Health Services, Parking Services, and Material and Supply Fees.

Sponsored Research. Sponsored research includes research activities that are funded by federal, state, local, and private funds.

Student Financial Aid. The student financial aid budget largely represents scholarship and loan funds that are received by the university and subsequently disbursed to students. Large disbursements of these funds occur at the beginning of the Fall and Spring semesters. The expenditures in this budget will, therefore, not coincide with the months remaining in the year.

Student Activities. The student activities budget is funded by the Activity and Service Fee paid by the students and includes expenditures for student government and student clubs and organizations. This budget also includes all expenditures for the Student Union and the Recreation and Wellness Center. Expenditures for these entities are funded by the Activity and Service Fee and by revenue generated through functions in the facilities.

Concessions. The concessions budget is funded from vending commissions and related sponsorship revenue. These funds are used for events and other expenditures that support the university.

Technology Fee. The technology fee was established in January 2009 as allowed by Florida Statute 1009.24. The university began charging 5 percent of the tuition per credit hour beginning in the Fall term of the 2009-10 academic year. A committee and guidelines for the allocation and use of the technology resources were established. The revenue from this fee will be used to enhance instructional technology resources for students and faculty.

University of Central Florida Operating Budget Status

June 30, 2017

Expenditure Categories

Salaries and Benefits. Salaries and benefits include salary payments, along with employer benefit costs, including FICA, health insurance, life insurance, disability insurance, and pre-tax benefits. Benefits are approximately 30 percent of salaries for permanent employees.

Expenses. Expenses include office supplies, repairs, maintenance costs, contract services, and all other items not included as salaries, capital purchases, or debt service.

Capital Purchases. Capital purchases include personal property with a value of \$5,000 or more and library resources with a value of \$250 or more, and an expected life of one year or more.

Debt Service. Debt service includes principal and interest payments on bonds and other loans within the university.

ITEM: INFO-3

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Direct Support Organizations' 2016-17 Fourth-quarter Financial Reports

DATE: October 18, 2017

For information only.

Supporting documentation: Attachment A: UCF Athletic Association and Stadium Corporation
Attachment B: UCF Convocation Corporation
Attachment C: UCF Finance Corporation
Attachment D: UCF Foundation
Attachment E: UCF Research Foundation

Prepared by: John C. Pittman, Associate Vice President for Administration and Finance, Debt Management

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

Finance and Facilities Committee - New Business

Attachment A UCF Athletic Association and UCF Stadium Corporation Consolidated Statement of Operations For the year ended June 30, 2017

	UCF Athletic Association	UCF Stadium Corporation	Combined	UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Budget		UCF Athletic Association	UCF Stadium Corporation	Combined	Variance to Prior Year	
	Actual 2016-17	Actual 2016-17	Actual 2016-17	Budget 2016-17	Budget 2016-17	Budget 2016-17	Favorable (Unfavorable)		Actual 2015-16	Actual 2015-16	Actual 2015-16	Favorable (Unfavorable)	
Operating revenues													
Athletic events, including premium seating	\$ 11,673,931	\$ 2,083,668	\$ 13,757,599	\$ 12,280,420	\$ 2,084,067	\$ 14,364,487	(606,888)	(4.22)%	\$ 8,853,835	\$ 2,141,965	\$ 10,995,800	\$ 2,761,799	25.12 %
University allocations	27,419,024	-	27,419,024	27,083,116	-	27,083,116	335,908	1.24 %	26,749,364	-	26,749,364	669,660	2.50 %
Sponsorship	4,087,023	800,000	4,887,023	4,505,000	850,000	5,355,000	(467,977)	(8.74)%	3,355,877	850,000	4,205,877	681,146	16.20 %
Contributions	3,165,026	460,000	3,625,026	2,599,488	500,000	3,099,488	525,538	16.96 %	2,253,352	932,718	3,186,070	438,956	13.78 %
Other	593,293	619,134	1,212,427	536,550	690,000	1,226,550	(14,123)	(1.15)%	916,143	564,039	1,480,182	(267,755)	(18.09)%
Total operating revenues	46,938,297	3,962,802	50,901,099	47,004,574	4,124,067	51,128,641	(227,542)	(0.45)%	42,128,571	4,488,722	46,617,293	4,283,806	9.19 %
Operating expenses													
Scholarships	9,591,601	-	9,591,601	9,052,386	-	9,052,386	(539,215)	(5.96)%	9,017,023	-	9,017,023	(574,578)	(6.37)%
Employee compensation ¹	18,850,086	-	18,850,086	19,612,369	-	19,612,369	762,283	3.89 %	19,220,046	-	19,220,046	369,960	1.92 %
Sport operations	7,952,934	-	7,952,934	8,162,259	-	8,162,259	209,325	2.56 %	7,577,765	-	7,577,765	(375,169)	(4.95)%
Support operations	9,016,276	-	9,016,276	8,160,744	-	8,160,744	(855,532)	(10.48)%	7,378,949	-	7,378,949	(1,637,327)	(22.19)%
Other ²	2,923,548	75,881	2,999,429	1,678,344	357,500	2,035,844	(963,585)	(47.33)%	3,039,008	737,770	3,776,778	777,349	20.58 %
Total operating expenses	48,334,445	75,881	48,410,326	46,666,102	357,500	47,023,602	(1,386,724)	(2.95)%	46,232,791	737,770	46,970,561	(1,439,765)	(3.07)%
Net operating income	(1,396,148)	3,886,921	2,490,773	338,472	3,766,567	4,105,039	(1,614,266)	(39.32)%	(4,104,220)	3,750,952	(353,268)	2,844,041	(805.07)%
Nonoperating revenues (expenses)													
Net transfers to Stadium Corporation from UCFAA	227,296	(227,296)	-	607,986	(607,986)	-	-	-	4,614,369	(4,614,369)	-	-	-
Transfer from UCF Convocation Corporation	650,000	-	650,000	459,553	-	459,553	190,447	41.44 %	-	-	-	650,000	100.00 %
Interest income	-	42,797	42,797	-	15,000	15,000	27,797	185.31 %	-	112,874	112,874	(70,077)	(62.08)%
Interest (expense)	(251,130)	(1,943,930)	(2,195,060)	(406,700)	(1,965,514)	(2,372,214)	177,154	7.47 %	(245,194)	(2,065,839)	(2,311,033)	115,973	5.02 %
Capital project donor contributions ³	3,159,101	-	3,159,101	-	-	-	3,159,101	100.00 %	-	-	-	3,159,101	100.00 %
Capital project (expenses) ³	(727,163)	-	(727,163)	-	-	-	(727,163)	(100.00)%	(19,180)	-	(19,180)	(707,983)	(3691.26)%
Other restricted revenues ³	829,710	-	829,710	-	-	-	829,710	100.00 %	485,700	-	485,700	344,010	70.83 %
Restricted (expenses) ³	(717,462)	-	(717,462)	-	-	-	(717,462)	(100.00)%	(564,853)	-	(564,853)	(152,609)	(27.02)%
Total nonoperating revenues	3,170,352	(2,128,429)	1,041,923	660,839	(2,558,500)	(1,897,661)	2,939,584	154.91 %	4,270,842	(6,567,334)	(2,296,492)	3,338,415	145.37 %
Net increase (decrease) from operations	\$ 1,774,204	\$ 1,758,492	\$ 3,532,696	\$ 999,311	\$ 1,208,067	\$ 2,207,378	\$ 1,325,318		\$ 166,622	\$ (2,816,382)	\$ (2,649,760)	\$ 6,182,456	
Debt service:													
Principal	\$ 586,456	\$ 1,674,000	\$ 2,260,456	\$ 999,311	\$ 1,674,000	\$ 2,673,311	\$ 412,855	(15.44)%	\$ 3,202,528	\$ 1,308,000	\$ 4,510,528	\$ 2,250,072	49.88 %
Interest	251,130	1,943,930	2,195,060	406,700	1,965,514	2,372,214	177,154	(7.47)%	245,194	2,065,839	2,311,033	115,973	5.02 %
Total Debt Service	\$ 837,586	\$ 3,617,930	\$ 4,455,516	\$ 1,406,011	\$ 3,639,514	\$ 5,045,525	\$ 590,009	(22.91)%	\$ 3,447,722	\$ 3,373,839	\$ 6,821,561	\$ 2,366,045	54.90 %

¹ Employee compensation was under budget due to severance payouts being budgeted for 2016-17 but actually accrued for and expensed in 2015-16.

² Other expenses were over budget by approximately \$1 million due to facility projects relating to the Rise and Conquer initiative and other projects originally planned for 2015-16 that were expensed in 2016-17 due to timing.

³ New lines have been added to the consolidated statement of operations report in order to provide a more complete picture of the financial activity of the UCF Athletic Association.

Finance and Facilities Committee - New Business

Attachment B
UCF Convocation Corporation
Statement of Operations
For the year ended June 30, 2017

2016-17					2015-16				
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)		
Housing Operations									
Revenues									
Apartment rentals	\$ 18,122,028	\$ 17,756,085	\$ 365,943	2.1 %	\$ 17,925,163	\$ 17,755,071	\$ 170,092	1.0 %	
Parking	1,036,388	1,036,388	-	0.0 %	1,036,388	1,036,388	-	0.0 %	
Other	94,724	7,500	87,224	1163.0 %	95,588	45,400	50,188	110.5 %	
Total revenues	19,253,140	18,799,973	453,167	2.4 %	19,057,139	18,836,859	220,280	1.2 %	
Total expenses	6,023,886	6,705,948	682,062	10.2 %	6,571,700	7,285,382	713,682	9.8 %	
Net increase from housing operations	13,229,254	12,094,025	1,135,229	9.4 %	12,485,439	11,551,477	933,962	8.1 %	
Retail Operations									
Total revenues	1,912,059	1,910,755	1,304	0.1 %	1,891,627	1,835,863	55,764	3.0 %	
Total expenses	510,317	596,948	86,631	14.5 %	513,588	595,950	82,362	13.8 %	
Net increase from retail operations	1,401,743	1,313,807	87,936	6.7 %	1,378,039	1,239,913	138,126	11.1 %	
Arena Operations									
Revenues									
Event related	5,703,895	6,448,946	(745,051)	(11.6)%	7,586,445	6,345,284	1,241,161	19.6 %	
Premium seating and sponsorship	1,109,942	1,231,800	(121,858)	(9.9)%	1,274,923	1,372,800	(97,877)	(7.1)%	
Rental income	2,735,000	2,735,000	-	0.0 %	2,735,000	2,735,000	-	0.0 %	
University support	-	-	-	-	5,336	-	5,336	-	
Other	169,677	194,564	(24,887)	(12.8)%	246,153	180,531	65,622	36.3 %	
Total revenues	9,718,514	10,610,310	(891,796)	(8.4)%	11,847,857	10,633,615	1,214,242	11.4 %	
Expenses									
Direct event	4,419,294	5,010,530	591,236	11.8 %	6,062,340	4,939,605	(1,122,735)	(22.7)%	
Operating and indirect event	3,630,550	4,171,625	541,075	13.0 %	4,374,041	4,680,375	306,334	6.5 %	
Direct premium seating	264,157	283,360	19,203	6.8 %	241,487	336,919	95,432	28.3 %	
Other ¹	3,134,516	500,000	(2,634,516)	(526.9)%	1,621,995	1,150,000	(471,995)	(41.0)%	
Transfer to Athletics	650,000	650,000	-	0.0 %	-	-	-	-	
Total expenses	12,098,517	10,615,515	(1,483,002)	(14.0)%	12,299,863	11,106,899	(1,192,964)	(10.7)%	
Net increase (decrease) from arena operations	(2,380,003)	(5,205)	(2,374,798)	45625.3 %	(452,006)	(473,284)	21,278	(4.5)%	
Net increase from total operations	\$ 12,250,994	\$ 13,402,627	\$ (1,151,633)	(8.6)%	\$ 13,411,472	\$ 12,318,106	\$ 1,093,366	8.9 %	
Debt Service									
Principal	\$ 7,045,000				\$ 13,305,000				
Interest	7,114,359				7,430,096				
Total Debt Service ²	\$ 14,159,359				\$ 20,735,096				

[1] In 2016-17, other expenses primarily consisted of transfers to the university for the plaza enhancement project and the arena scoreboard. In 2015-16, other expenses primarily consisted of cost of issuance fees related to the arena debt refunding and transfers to the university for the plaza enhancement project, as well as arena HVAC system replacement.

[2] Principal payments in 2015-16 included additional principal prepayments made at the time of the arena debt refunding.

Attachment C
UCF Finance Corporation
Statement of Operations
For the year ended June 30, 2017

	2016-17				2015-16			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Revenues								
University transfers	\$ 2,499,065	\$ 2,484,612	\$ 14,453	0.6 %	\$ 2,435,910	\$ 2,587,113	\$ (151,203)	(5.8)%
Interest	10,958	-	10,958	100.0 %	116,828	-	116,828	100.0 %
Total revenues	<u>2,510,023</u>	<u>2,484,612</u>	<u>25,411</u>	<u>1.0 %</u>	<u>2,552,738</u>	<u>2,587,113</u>	<u>(34,375)</u>	<u>(1.3)%</u>
Expenses								
Operating	20,629	15,800	(4,829)	(30.6)%	21,993	15,300	(6,693)	(43.7)%
Interest	2,304,436	2,288,812	(15,624)	(0.7)%	2,359,391	2,385,629	26,238	1.1 %
Debt related	184,958	180,000	(4,958)	(2.8)%	171,354	186,184	14,830	8.0 %
Total expenses	<u>2,510,023</u>	<u>2,484,612</u>	<u>(25,411)</u>	<u>(1.0)%</u>	<u>2,552,738</u>	<u>2,587,113</u>	<u>34,375</u>	<u>1.3 %</u>
Net change from operations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Debt Service								
Principal	\$ 1,415,000				\$ 1,355,000			
Interest	2,304,436				2,359,391			
Total Debt Service	<u>\$ 3,719,436</u>				<u>\$ 3,714,391</u>			

Attachment D
UCF Foundation
Unrestricted Operations
For the year ended June 30, 2017

	2016 - 17				2015 - 16			
	Actual	Budget	Variance Favorable (Unfavorable)		Actual	Budget	Variance Favorable (Unfavorable)	
Unrestricted revenues								
University and other related support	\$ 12,585,757	\$ 14,054,479	\$ (1,468,722)	(10.5)%	\$ 11,306,137	\$ 12,308,311	\$ (1,002,174)	(8.1)%
Gifts, fees, and investment earnings	6,006,945	5,006,167	1,000,778	20.0 %	5,157,467	4,851,120	306,347	6.3 %
Real estate operations	2,524,946	2,328,000	196,946	8.5 %	1,730,340	2,235,112	(504,772)	(22.6)%
Total unrestricted revenue	<u>21,117,648</u>	<u>21,388,646</u>	<u>(270,998)</u>	<u>(1.3)%</u>	<u>18,193,944</u>	<u>19,394,543</u>	<u>(1,200,599)</u>	<u>(6.2)%</u>
Unrestricted expenses								
Academic and university support	3,215,797	2,756,433	(459,364)	(16.7)%	3,518,057	3,277,484	(240,573)	(7.3)%
Development, alumni relations, and operations	17,999,990	18,632,213	632,223	3.4 %	14,079,726	16,117,059	2,037,333	12.6%
Total unrestricted expenses	<u>21,215,787</u>	<u>21,388,646</u>	<u>172,859</u>	<u>0.8 %</u>	<u>17,597,783</u>	<u>19,394,543</u>	<u>1,796,760</u>	<u>9.3%</u>
Net increase (decrease) from unrestricted operations	<u>\$ (98,139)</u>	<u>\$ -</u>	<u>\$ (98,139)</u>	<u>-</u>	<u>\$ 596,161</u>	<u>\$ -</u>	<u>\$ 596,161</u>	<u>-</u>
Debt Service								
Principal	\$ 2,155,000				\$ 2,066,713			
Interest	1,104,668				1,228,230			
Total Debt Service	<u>\$ 3,259,668</u>				<u>\$ 3,294,943</u>			

The information provided above is a reflection of the foundation's unrestricted activity only and does not include income distribution from endowment or revenue for current operations with donor designations and restrictions.

The value of the foundation's endowment pool as of June 30, 2017, was \$155 million and generated a total of \$5.1 million in available spending for the university. For the period ending June 30, 2017, the foundation dispersed \$26 million on behalf of the university in support of programs, scholarships, and other university priorities. Resources for these expenditures comes in the form of spendable distributions from endowed funds as well as restricted and unrestricted gifts for current operations, provided as follows:

Unrestricted	\$ 3,215,797
Restricted (included endowment)	<u>22,759,316</u>
Total Dispersed	\$ 25,975,113

Attachment E
UCF Research Foundation
Statement of Operations
For the year ended June 30, 2017

	2016-17				2015-16			
	Actual	Budget	Variance		Actual	Budget	Variance	
			Favorable (Unfavorable)				Favorable (Unfavorable)	
Revenues								
Operating revenue ¹	\$ 11,408,478	\$ 7,340,000	\$ 4,068,478	55.4 %	\$ 8,525,342	\$ 7,930,000	\$ 595,342	7.5 %
Management fees and other	645,534	380,000	265,534	69.9 %	335,651	350,000	(14,349)	(4.1)%
Total revenues	<u>12,054,012</u>	<u>7,720,000</u>	<u>4,334,012</u>	<u>56.1 %</u>	<u>8,860,993</u>	<u>8,280,000</u>	<u>580,993</u>	<u>2.5 %</u>
Expenses								
Total operating expenses	<u>11,057,031</u>	<u>7,682,500</u>	<u>(3,374,531)</u>	<u>(43.9)%</u>	<u>8,512,908</u>	<u>7,859,999</u>	<u>(652,909)</u>	<u>(8.3)%</u>
Net increase from operations	<u>\$ 996,981</u>	<u>\$ 37,500</u>	<u>\$ 959,481</u>	<u>2558.6 %</u>	<u>\$ 348,085</u>	<u>\$ 420,000</u>	<u>\$ (71,915)</u>	<u>(17.1)%</u>

¹ Operating includes royalties, contributions, rents, conferences, unit residuals, and consortiums. Increase over budget is primarily due to unbudgeted royalty revenue and more contracts and grants than expected.

ITEM: INFO-4

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: University and DSO Debt Report Coverage Ratios

DATE: October 18, 2017

For information only.

Supporting documentation: Attachment A: University and DSO Debt Report Coverage Ratios

Prepared by: John C. Pittman, Associate Vice President for Administration and Finance, Debt Management

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

Attachment A

University and DSO Debt

By Entity

As of June 30, 2017

	Fixed	Debt Outstanding Variable	Total	Debt Service 2018	Coverage Ratio		Sources of Payment
					Actual	Required	
University							
Health Center - revenue bonds	\$ 3,595,000	\$ -	\$ 3,595,000	\$ 616,828	27.79	1.20	Health fees
Parking - revenue bonds	27,470,000	-	27,470,000	4,550,958	3.99	1.20	Transportation access fees, decals, fines
Housing - revenue bonds	92,215,000	-	92,215,000	8,782,331	1.68	1.20	Room rents
Total University	123,280,000	-	123,280,000	13,950,117			
UCF Hospitality School Student Housing Foundation							
Housing - revenue bonds	11,005,000	-	11,005,000	1,490,745 ¹			Total project revenues
UCF Convocation Corporation							
Housing and retail revenue COPs	108,600,000	-	108,600,000	8,152,274	1.65	1.20	Total project revenues
Arena and retail revenue bonds	79,825,000	-	79,825,000	6,014,323	1.37	1.20	Total project revenues
Total UCF Convocation Corporation	188,425,000	-	188,425,000	14,166,596			
UCF Stadium Corporation							
Stadium revenue bonds	42,365,000	-	42,365,000	3,292,588			Stadium revenues, university resources
Student Leadership Center	3,258,000	-	3,258,000	336,124			pledged donations
Total UCF Stadium Corporation	45,623,000	-	45,623,000	3,628,712	3.76	1.20	
UCF Finance Corporation							
Burnett Biomedical Research facility bonds	51,315,000	-	51,315,000	2,523,146 ²	5.55	1.25	Sponsored programs
UCF Athletics Association							
Due to university (principal only)		6,614,649	6,614,649	500,000			UCFAA and stadium restricted surplus funds
SunTrust	20,481	-	20,481	20,481			UCFAA revenues, pledge payments
Fifth Third lines of credit		5,925,000	5,925,000	140,875			UCFAA revenues, Title IX funds
Total UCF Athletics Association	20,481	12,539,649	12,560,130	661,356			
UCF Foundation							
Benton and Cole Trusts	1,958,020	-	1,958,020	1,999,340			Property rentals, pledge revenues
BB&T	21,205,000	-	21,205,000	2,632,060	1.50	3.60	Property rentals
Total UCF Foundation	23,163,020	-	23,163,020	4,631,400			
Total University and DSO Debt	<u>\$ 442,831,501</u>	<u>\$ 12,539,649</u>	<u>\$ 455,371,150</u>	<u>\$ 41,052,073</u>			

¹ The university housing auxiliary is responsible for the Rosen Foundation debt service. The debt has a fixed-rate interest swap.

The Finance Corporation bonds were refinanced in September 2017 to a 20-year term loan with a 15-year interest rate reset. As a result of the refinancing, the debt service shown for 2018 is

² lower than the future annual debt service average of approximately \$4 million.

Lines of Credit

	Maximum Amount	Outstanding	Available
UCF Athletics Association			
Fifth Third lines of credit	7,925,000	5,925,000	2,000,000

Variable Rate Debt

	Outstanding	Rate
UCF Athletics Association		
Fifth Third lines of credit	5,925,000	2.18%
University loan	6,614,649	1.42%
Total variable debt outstanding	<u>\$ 12,539,649</u>	