Intro. Res. No. 1956-2010 Laid on Table 9/16/2010
Introduced by Presiding Officer, on request of the County Executive

RESOLUTION NO. 968-2010, AUTHORIZING THE LEASE OF PREMISES UTILIZED BY THE SUFFOLK COUNTY SHERIFF'S DEPARTMENT

WHEREAS, the Suffolk County Sheriff's Department has maintained a base of operations in Riverhead in Suffolk County for investigative purposes and is desirous of remaining in that area; and

WHEREAS, the County is desirous of entering into a Lease with the landlord, IB3 Enterprises, for 2,848 square feet of office space located at 400 West Main Street, Riverhead, NY; and

WHEREAS, the Sheriff's Department will utilize this facility for its operations and shall pay the associated rental costs; and

WHEREAS, the landlord and the County have agreed to terms for a five (5) year lease, with one (1) five-year extension option, which lease would commence on or about September 1, 2010; and

WHEREAS, the Space Management Steering Committee recommended the approval of this lease on June 10, 2010; and

WHEREAS, sufficient funds are included in the 2010 Operating Budget for lease payments to be made in connection with the premises; now, therefore be it

1st **RESOLVED**, that this Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.59(c)(20) and (27) of Title 6 of the New York Code of Rules and Regulations (6 NYCRR) and within the meaning of Section 8-109 of the New York Environmental Conservation Law as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. Furthermore, in accordance with Section 1-4(A)(1)(d) of the Suffolk County Charter and Section 279-5(C)(4) of the Suffolk County Code, the Suffolk County Council on Environmental Quality is directed to prepare and circulate all appropriate notices of determination of non-applicability or non-significance in accordance with this law; and be it further

2nd **RESOLVED**, that the County Executive be and hereby is authorized to execute a five (5) year Lease in accordance with the terms and conditions of this resolution and in substantial conformance with the form annexed.

DATED: OCT 12 2010

APPROVED BY:

County Executive of Suffolk County

Date: 10/27/10

968

AGREEMENT OF LEASE

between

IB3 Enterprises Inc.

as LANDLORD

and

COUNTY OF SUFFOLK

as TENANT

Date for Reference Purposes: August 31, 2010

Premises: 400 West Main Street, Suite 202, Riverhead, New York 11901

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AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE ("Lease") made as of the ___ day of _____, 2010, between IB3 Enterprises Inc., with an address at 185 Old Country Road, Suite 5, Riverhead, NY 11901,("LANDLORD"), and the COUNTY OF SUFFOLK, a municipal corporation with an address at County Center, Riverhead, New York 11901 ("TENANT" or "County"), acting through its duly constituted Department of Public Works ("Department"), located at 335 Yaphank Avenue, Yaphank, New York 11980.

W I T N E S S E T H:

SECTION 1. DESCRIPTION

Section 1.01 In consideration of and subject to the terms, covenants, agreements, provisions, conditions, and limitations set forth in this Lease, LANDLORD hereby agrees to lease to TENANT office space identified as 400 West Main Street, Suite 202, Riverhead, New York containing approximately 2,848 square feet of building space and related common areas, facilities, improvements, and permanent installations constructed and installed or to be constructed and installed therein, thereon, or hereunder in accordance with this Lease, as shown on the Floor Plan attached hereto as **Exhibit A**, (referred to hereinafter as the "Demised Premises") and further identified as a portion of:

S.C. Tax Map No.	Dist.	Sect.	Blk	Lot
	600	128	2	15

SECTION 2. PURPOSE

Section 2.01 The parties acknowledge that TENANT is a municipal corporation and is entering into and executing this Lease by virtue of the approval of the Space Management Steering Committee on June 10th, 2010, for the use of the Demised Premises by the Sheriff's Department, IAD. TENANT acknowledges and agrees to use the Demised Premises as specified herein.

Section 2.02 LANDLORD warrants that it holds such title to or other interest in the Demised Premises and other property as is necessary to give and fully provide the TENANT with access to the Demised Premises and full use and enjoyment thereof in accordance with the provisions of this Lease.

Section 2.03 LANDLORD warrants that the intended use of the Demised Premises is a permitted use under LANDLORD's title to the Demised Premises and that LANDLORD knows of no covenant, restriction, or other agreement which would prevent such use or occupancy. LANDLORD further certifies that no covenants, restrictions, or other impediments to title have been added since the date of the issuance of the title insurance policy.

SECTION 3. TERM

Section 3.01 The term of this Lease shall commence on or about September 1, 2010, as of the date of occupancy by TENANT (the "Commencement Date") and shall expire five (5) years later on August 31, 2015 (the "Expiration Date"), or on such earlier date as this Lease may terminate

or expire as provided for herein; provided, however, that if such date does not fall on a "Business Day" defined below, then this Lease shall end on the next Business Day.

For the purposes of this Lease and all agreements supplemented to this Lease, the term "Business Day" means any day except a Saturday, a Sunday, or any day on which commercial banks are required or authorized to close in Suffolk County, New York.

Section 3.02 TENANT, provided it is not in default of any of the terms of this Lease, shall have the option to renew this Lease for one additional five (5) year period, commencing upon the expiration of the initial term ("**Option**"). Said Option shall be exercised upon TENANT notifying LANDLORD prior to the expiration of the then current term of its intention to exercise the Option. All of the terms and conditions of this Lease shall apply to the Option.

SECTION 4. RENT

Section 4.01 "Annual Rent" for the Premises for the first year of the Term shall be $48,416.00, beginning on the Commencement Date. Annual Rent shall include all expenses of the Demised Premises including, but not limited to, base year taxes, insurance, maintenance, and common area charges.

Section 4.02 Commencing on the first anniversary date of the Commencement Date, and on each anniversary date thereafter, Annual Rent shall increase by 3% over the Annual Rent in the preceding year. Annual Rent for the Term of the Lease (and Option period, if exercised), unless terminated earlier, shall be as follows:

Annual Base Rent for the Premises

Year 1	$48,416.00	Year 6	$56,127.00
Year 2	$49,868.00	Year 7	$57,811.00
Year 3	$51,365.00	Year 8	$59,546.00
Year 4	$52,905.00	Year 9	$61,332.00
Year 5	$54,493.00	Year 10	$63,172.00

Section 4.03 Annual Rent for the Demised Premises shall be payable by TENANT to LANDLORD, at LANDLORD's address first set forth above, or at such other place designated by LANDLORD in writing, in equal monthly installments, in advance, on the first day of each calendar month during the Term, except, however, the first monthly payment shall be payable within thirty (30) days of TENANT's receipt of a signed voucher, in accordance with *Section 4.04* below. Partial months shall be prorated.

Section 4.04 The Commencement Date set forth at *Section 3.01* shall be the operative determinant for annual rent escalations without regard or reference to the date of TENANT's taking of actual possession and/or occupancy.

Section 4.05 LANDLORD recognizes that TENANT is a municipal corporation whose financial obligations are strictly regulated by statute. The duly constituted rules, regulations, and proceedings of said municipality require that the payment of Total Annual Rent shall only be

made in accordance with such statutes. As part of said procedures, it is necessary that LANDLORD submit vouchers provided by TENANT for the payment of Total Annual Rent hereinabove provided, and any other reasonable documentation as may be required by TENANT for payment of Expenses, as defined in *Section 4.06*, or other charges under the terms of this Lease. LANDLORD hereby agrees to submit such vouchers and all reasonable documentation of Expenses or other charges timely and as may be reasonably requested by TENANT's Department of Audit and Control within one hundred eighty (180) days following the end of the calendar year in which such cost or expense relating to the request for payment was incurred. TENANT agrees to deliver vouchers to LANDLORD at least ten (10) Business Days after a request from LANDLORD for a voucher(s) to be submitted for payment of an Expense. Failure to submit the vouchers within one hundred and eighty (180) days following the end of the calendar year in which such cost or expense was incurred shall constitute grounds for the TENANT to deny payment for the same. If TENANT fails to deliver the vouchers as required hereunder, then LANDLORD shall not be required to submit the undelivered vouchers as a condition to its right to receive any payment to which such voucher relates, and the failure of LANDLORD to submit such undelivered voucher to TENANT shall not prevent or constitute a condition to LANDLORD's ability to exercise its rights pursuant to **Section 25**. Once completed by LANDLORD, LANDLORD shall submit the vouchers to TENANT. By submitting completed vouchers for Annual Rent, LANDLORD shall have satisfied its obligation to request payment of Annual Rent hereunder for the entire calendar year.

Section 4.06 Any sums, charges, fees, expenses, or amounts to be paid by TENANT pursuant to the provisions of this Lease, other than Annual Rent, shall be designated as and deemed to be "Expense(s)" and shall be payable by TENANT to LANDLORD, as additional rent, within sixty (60) days after LANDLORD gives TENANT written notice that such payment is due, together with a voucher, and any supporting documentation reasonably required by TENANT, for the amount of such Expense, unless otherwise provided in this Lease. LANDLORD shall have the same rights and remedies upon TENANT's failure to pay Expense as for the non-payment of the Annual Rent and TENANT's obligations to make adjustments of Expenses referred to in this Lease, shall survive any expiration or termination of this Lease.

Section 4.07 Acceptance of rent from other than named TENANT shall in no event be deemed the acceptance and acquiescence to any assignment or subletting of the Demised Premises in whole or in part. No payment by TENANT or receipt by LANDLORD of an amount less than the monthly rent then due, including additional rent, shall be deemed to be other than on account of the stipulated rent, nor shall any endorsement or extraneous matter on any check or in any letter accompanying such payment of rent affect the terms of this Lease or be deemed an accord and satisfaction, and LANDLORD may accept such payment without prejudice to any of its rights.

SECTION 5. REAL ESTATE TAXES

Section 5.01 LANDLORD shall pay all Real Estate Taxes, as defined below, during the entire Term of this Lease. TENANT agrees to pay, as an Expense, its "Proportionate Share" of any increase in Real Estate Taxes levied upon the building and land of which the Demised Premises form a part over "Base Year Taxes". For purposes of this Lease, "Proportionate Share" means 7% of that portion of a tax increase over and above "Base Year Taxes". The term "Base Year Taxes" means Real Estate Taxes assessed for the tax year December 1, 2009 through November 31, 2010. The term "Real Estate Taxes" shall mean and be deemed to include all real property taxes, assessments, county taxes, transit taxes, or any other governmental charge of a similar nature whether general, special, ordinary, or extraordinary, foreseen or unforeseen, of any kind or nature whatsoever, including without limitation, assessments for public improvements or benefits. If,

due to a change in the method of taxation, any franchise, income, profit, sales, rental, use and occupancy, or other tax shall be substituted for or levied against the LANDLORD or any owner of the building and/or the land in lieu of Real Estate Taxes hereinabove defined, upon or with respect to the building or the land, such tax shall be included in the term "Real Estate Taxes". Nothing contained herein shall be construed to include as "Real Estate Taxes" any inheritance, estate, succession, transfer, gift franchise, corporation, income or profit tax, or capital levy that is or may be imposed upon LANDLORD.

Section 5.02 Any and all demands by LANDLORD to the TENANT for reimbursement by the TENANT of the increase in "Real Estate Taxes" shall be submitted to the TENANT within one hundred eighty (180) days of the receipted tax bill. Failure to timely submit the receipted tax bill shall result in forfeiture of the right to reimbursement described under this paragraph heading. LANDLORD shall not be penalized nor shall TENANT be subject to any forfeiture of Expenses if LANDLORD's receipt of any paid bill for taxes or special assessments is delayed for reasons beyond LANDLORD's control.

Section 5.03 TENANT shall not be responsible to pay interest on any unpaid installment due to a late payment of any Real Estate Taxes by LANDLORD, which may hereafter be levied, imposed, or assessed against or upon the building and/or the land upon which the Demised Premises are located.

Section 5.04 Any Real Estate Taxes relating to a fiscal period of the taxing authority, a part of which period is included within the Term and a part of which is included in a period of time either before the Commencement Date or after the Expiration Date, shall be adjusted between LANDLORD and TENANT so that TENANT shall pay only that portion of such Real Estate Taxes allocable to the portion of such fiscal period which coincides with the Term, and LANDLORD shall pay the remainder thereof.

Section 5.05 TENANT, at its own cost and expense, upon not less than thirty (30) days prior written notice to LANDLORD, and provided LANDLORD has not already done so, shall have the right, but not the obligation, to contest or review by legal proceedings, any Real Estate Taxes imposed upon or against the Premises. In the event that such Real Estate Taxes assessments, water rates, or other charges shall, as a result of such proceedings, whether instituted by LANDLORD, its proxy, or TENANT, be reduced, cancelled, set aside or to any extent discharged, TENANT shall pay its share of the amount that shall be finally assessed or imposed against the Demised Premises or be adjudicated to be due and payable on such disputed or contested claims, and shall receive any refund on such charges previously paid by TENANT. In the event LANDLORD brings such legal proceedings, any amount refunded to TENANT may be reduced by the actual and customary costs and expenses incurred by LANDLORD in instituting the successful proceeding.

Section 5.06 In the event that TENANT or LANDLORD shall protest or contest any Real Estate Taxes, the contesting party shall provide the other with copies of any application, petition or other papers and pleadings related to such protest or contest. The non-contesting party, at its own cost and expense, may retain co-counsel, attend all hearings and proceedings, present evidence and arguments, and generally participate in any such protest or contest of Real Estate Taxes. In the event either LANDLORD or TENANT shall protest or contest any Real Estate Taxes, the other shall cooperate with all reasonable requests of the party initiating the protest or contest with regard to the prosecution of the protest or contest.

Section 5.07 TENANT and LANDLORD agree that should LANDLORD make additions or alterations to the completed building of which the Demised Premises are a part, in either case for its own use or for the use of the tenant occupants, that TENANT herein shall pay only its proportionate share of the Real Estate Taxes, proportionate share being defined as the percentage calculated by dividing the total square feet of the floor area leased to the TENANT by the total number of square feet floor area of all the improvements on the tax lot. Moreover, if alterations or improvements are made which increase the Real Property Tax assessment, but which do not benefit the TENANT, the calculation of the TENANT's Proportionate Share shall exclude any and all increases attributable to such additional assessment and future escalations of such amount. Tax bills or photocopies thereof rendered by the taxing authorities shall be sufficient evidence of the amount of the tax levy.

SECTION 6. UTILITIES

Section 6.01 Provided the TENANT is not in default under any of the covenants of this Lease, LANDLORD shall provide during "Working Hours" (Monday through Friday from 8:00 a.m. to 6:00 p.m. and Saturdays from 8:00 a.m. to 1:00 p.m., holidays excepted: (a) necessary elevator facilities; (b) heat to the Demised Premises when and as required by law; (c) water for ordinary lavatory purposes; and (d) air conditioning/cooling at reasonable temperatures, pressures and degrees of humidity and in reasonable volumes and velocities at suitable locations will be furnish during Working Hours when it may be required for the comfortable use and occupancy of the Demised Premises by the TENANT, (e) electricity to the Demised Premises

Section 6.02 All costs, fees, and charges for public or private utility services for the Premises during the Term (i.e., water, gas and electric), together with any taxes thereon, shall be a TENANT charge and shall be paid by TENANT directly to the applicable utility company. Any utility connections required to be made following the Commencement Date shall be a TENANT charge. Other services shall be paid as indicated on the "Landlord-Tenant Responsibilities Sheet" annexed as **Exhibit B**.

Section 6.03 In the event oil or propane is used to heat the facility, an adjustment shall be made both at the commencement and termination of this Lease for any fuel in tank at the time, as the case may be.

SECTION 7. PARKING

Section 7.01 During the term of this Lease, LESSOR shall provide unobstructed, paved parking spaces contiguous to the subject building and under the control of LANDLORD, which parking spaces shall be in compliance with all requirements of any "Governmental Authority" in connection with the issuance of all permits and approvals necessary to effect Delivery.

For purposes of the Lease, "Governmental Authority" means the United States of America, the State of New York, the County of Suffolk, and any other city, state, municipality, village, county, town, department, board, or instrumentality of any and/or all of the foregoing, or any quasi-governmental authority, now existing or hereafter created, and any officer thereof, having jurisdiction over the Building.

SECTION 11. PREVAILING WAGE

Section 11.01 Any construction or reconstruction of the Demised Premises constitutes a public works contract under Article 8 of the Labor Law. LANDLORD acknowledges and agrees to comply with the prevailing wage requirements in connection with any construction or reconstruction of the Demised Premises.

Section 11.02 No person performing, aiding in, or assisting in construction or reconstruction of the Demised Premises shall be paid less than the said prevailing rates as defined and utilized under Section 220 of the Labor Law. Any person or corporation that willfully pays, after entering into a contract, less than this established wage schedule shall be guilty of an offense punishable by a fine or by imprisonment or both.

Section 11.03 LANDLORD is advised to fully familiarize itself with all applicable provisions of the New York State Labor Law and more specifically, Article 8, Public Work. It is the responsibility of the LANDLORD to provide each of its contractors/subcontractors with the prevailing wage rate schedule. The prime contractor is responsible for any underpayments of prevailing wages or supplements by its contractors/subcontracts.

SECTION 12. LAWFUL HIRING OF EMPLOYEES LAW IN CONNECTION WITH CONTRACTS FOR CONSTRUCTION OR FUTURE CONSTRUCTION

Section 9.01 This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk, Suffolk County Code Chapter 234, as more fully set forth in **Exhibit C** entitled "Suffolk County Legislative Requirements." In accordance with this law, LANDLORD and any subcontractor or owner, as the case may be, agrees to maintain the documentation mandated to be kept by this law on the construction site at all times. LANDLORD and any subcontractor or owner, as the case may be, further agree that employee sign-in sheets and register/log books shall be kept on the construction site at all times during working hours and all covered employees, as defined in the law, shall be required to sign such sign in sheets/register/log books to indicate their presence on the construction site during such working hours.

SECTION 13. [INTENTIONALLY OMITTED]

SECTION 14. [INTENTIONALLY OMITTED]

SECTION 15. [INTENTIONALL OMITTED]

SECTION 16. EFFECT OF ACCEPTANCE AND OCCUPANCY

Section 16.01 Neither the TENANT's acceptance of the Demised Premises for occupancy, nor the TENANT's occupancy thereof, shall be construed either as a waiver of any requirement of or right of the TENANT under this Lease, or as otherwise prejudicing the TENANT with respect to any such requirement or right.

SECTION 17. CARE AND REPAIR OF DEMISED PREMISES BY TENANT

Section 17.01 During the Term of this Lease, and subject to the provisions of **Section 19**, TENANT shall make and be responsible for, at TENANT's sole cost and expense, all repairs and replacements relating to the Demised Premises which are not caused by or due to a Latent Defect, and in accordance with the **Exhibit B**, and those repairs and/or replacements which are made necessary by: (1) the performance of any "Alterations," defined in *Section 18.01*, made by TENANT; (2) the negligent use or operation of TENANT's property or fixtures; (3) the moving of TENANT's property or fixtures in, out or about the Demised Premises; (4) the negligence or misuse of the Demised Premises by TENANT or its officers, employees, personnel, agents, representatives, contractors, subcontractors, or invitees. All repairs made by or on behalf of TENANT shall be at least equal in quality and design to the original construction of the Demised Premises.

SECTION 18. ALTERATIONS

Section 18.01 TENANT shall have the right, during the term of this Lease, to make any "Alterations," meaning any alterations, installations, improvements, additions, or renovations to the Demised Premises or any part or portion thereof, with the prior consent of the LANDLORD, which are non-structural and do not affect interior and exterior walls, the foundation or roof of the building and which do not affect or pertain to any plumbing, electrical, heating, ventilation, air-conditioning, mechanical, vertical transport, or other systems and equipment (collectively "Building Systems"). TENANT shall not make Alterations that are structural or affect the interior and exterior walls, foundation or roof of the building, or affect or pertain to any Building Systems.

TENANT shall deliver to LANDLORD a copy of the final plans and specifications showing the actual construction for all Alterations. LANDLORD shall have the right, but not the obligation, to review and supervise any Alterations performed at the Demised Premises.

Section 18.02 All Alterations, excluding TENANT's trade fixtures, moveable office furniture, and moveable equipment, installed in the Demised Premises, either by TENANT or by LANDLORD on TENANT's behalf, shall become the property of LANDLORD and shall remain upon and be surrendered with the Demised Premises upon the expiration or earlier termination of the Lease. In the event this lease terminates prior to the expiration date, TENANT acknowledges and agrees that, upon the request of LANDLORD, TENANT shall remove exposed telephone, data and computer wiring and cabling to the ceiling and/or walls, at its sole expense. Nothing in this **Section 18** shall be construed to give LANDLORD title to, or to authorize LANDLORD to prevent TENANT's removal of trade fixtures, moveable office furniture and equipment, generators, etc.

SECTION 19. CARE OF DEMISED PREMISES BY LANDLORD

Section 19.01 The Demised Premises, as a whole, shall be properly constructed and will be delivered to the TENANT in good condition. Except in case of damage arising out of the willful act or negligence of TENANT, its officers, employees, agents, or invitees, subject to the provisions of **Section 17**, LANDLORD shall maintain and promptly repair the Demised Premises, including the building, Building Systems and all equipment, fixtures, and appurtenances furnished by the LANDLORD under this Lease, to keep same in good repair and

condition, and in accordance with general industry practice in the operation of such a building, so that they are suitable in appearance and capable of supplying such heat, air conditioning, light, ventilation, water, access and other things to the Demised Premises, without reasonably preventable or recurring disruption, as is required for the TENANT's access to, occupancy, possession, use and enjoyment of the Demised Premises as provided in this Lease, at LANDLORD's sole cost and expense. It is hereby understood and agreed that the heating and air conditioning systems will be kept under a uniform and systematic program of service and repair as prescribed according to manufacturer specifications, solely at LANDLORD's expense. If any existing heating and air conditioning systems are inadequate to provide a consistent degree of comfort, LANDLORD shall, at its own expense, replace or modify the system to assure consistent comfortable temperatures.

Section 19.02 LANDLORD, at LANDLORD'S sole cost and expense, shall comply with all applicable statutes, laws, ordinances, orders, regulations and notices of Federal, State, County and Municipal authorities, and with all directions, pursuant to law, of all public officers, which shall impose any duty upon LANDLORD with respect to the Demised Premises or the use or occupation thereof, except that LANDLORD shall not be required to make any alterations in order so to comply in the event such alterations are necessitated or occasioned, in whole or in part, by the negligent acts or gross omissions of TENANT or any person claiming through or under TENANT or any of their servants, employees, contractors, agents, visitors or licensees, or by the particular use or manner of use of the Demised Premises TENANT, or any such person.

Section 19.03 LANDLORD shall have a building superintendent or a locally designated representative available to promptly correct deficiencies and keep the TENANT notified of the name of that person or persons as well as with all contact information including telephone numbers, fax number and e-mail address.

Section 19.04 In addition to the LANDLORD's obligations under *Sections 19.01 and 19.02*, and subject to the provisions of **Section 17**, LANDLORD shall further make all necessary repairs, replacements and perform maintenance, at no additional cost to TENANT, as follows:

(i) to the exterior water, gas and electrical services, including drainage structures, cesspools, septic tanks and all connecting piping; it being specifically understood that in no event shall LANDLORD be liable for failure of any service provided by an independent utility provider;
(ii) made necessary by fire or other peril covered by the standard extended coverage endorsement on fire insurance or by reason of war, wind, or Acts of God, contents excepted;
(iii) landscaping and general maintenance of landscaped areas of the Building;
(iv) snow removal on all parking lots and walkways of the Building;
(v) building maintenance; and
(vi) to all items designated as LANDLORD responsibility as shown in **Exhibit C**.

Section 19.05 TENANT shall give to LANDLORD prompt written notice (notice by fax or e-mail being acceptable) of any accidents, damage, or defects in the roof, the exterior of the building, plumbing, electrical service, electrical lights, HVAC apparatus, or any other building system. Absent misconduct by the TENANT, these defects shall be remedied by LANDLORD.

Section 19.06 LANDLORD agrees, at its sole cost and expense, to perform all necessary maintenance, repairs, and replacements to the Demised Premises caused by the negligence or

willful misconduct of LANDLORD, and LANDLORD's employees, agents, contractors, and subcontractors. TENANT shall notify LANDLORD of the need for any such repair or replacement promptly after TENANT becomes aware of the need for the same.

Section 19.07 LANDLORD shall provide timely maintenance testing and inspection of all Demised Premises and building equipment and systems in accordance with applicable codes, and inspection certificates must be displayed as required by law.,

SECTION 20. INSURANCE

Section 20.01 TENANT shall procure and keep in full force and effect at its own cost and expense liability insurance in which policy LANDLORD or, in the event TENANT is requested in writing by LANDLORD, LANDLORD's Mortgagee, or their successors or assigns, shall be named as an additional insured in an amount not less than One Million Dollars ($1,000,000.00) per occurrence for bodily injury and One Million Dollars ($1,000,000.00) per occurrence for property damage, and shall furnish LANDLORD with proof of same. This insurance is to be excess over any other valid and collectible insurance except insurance that is written specifically as excess over the limits of liability that apply to this policy.

Section 20.02 In the event that a lease is for less than 100% of the building, the TENANT shall only provide liability insurance, naming the landlord as an additional insured, for the area which it leases. The LANDLORD is required to provide liability insurance, naming the TENANT as an additional insured, for all common areas or any other areas of the building not leased to the TENANT, including all exterior areas of the Demised Premises such as parking areas and walkways, regardless of whether the areas are designated for the TENANT's use including contractual liability coverage, in an amount not less than One Million Dollars ($1,000,000.00) per occurrence for bodily injury and One Million Dollars ($1,000,000.00) per occurrence for property damage.

Section 20.03 Notwithstanding the foregoing, TENANT, at its sole option, subject to TENANT being in full compliance with all applicable New York State, local and federal regulations regarding TENANT's self-insurance program and subject to TENANT's satisfying the Self-Insurance Standard, may elect to be either partially or totally self-insured and thereby assume responsibility for that portion of the liability insurance for which it is insured. In this case, TENANT must notify LANDLORD of its self-insured status by a signed writing. This self-insurance is to be excess over any other valid and collectible insurance.

Section 20.04 All risk of loss from fire or any other peril causing damage or destruction to the Premises or any other real or personal property of LANDLORD during the Term shall be borne by LANDLORD. Any property insurance policy(s) obtained by LANDLORD to cover this exposure shall contain a Waiver of Subrogation against TENANT. Prior to the Commencement Date, LANDLORD must submit to TENANT a current certificate of insurance indicating that such waiver is in full force. The risk of loss from any peril to the personal property, furniture, fixtures, equipment of TENANT located on the DemisedPremises shall be borne by TENANT, and TENANT waives any right of subrogation against LANDLORD with respect to such losses.

Section 20.05 LANDLORD shall indemnify and hold harmless the TENANT from and against all claims, costs (including attorneys' fees), losses, and liabilities of whatsoever nature arising out of the acts or omissions or negligence of LANDLORD, its officers, agents, servants or employees in connection with the building and property of which the Demised Premises forms a part, and LANDLORD's obligations under the First Extension.

Section 20.06 In the event the property is transferred by LANDLORD, the transferee shall immediately provide the Department with the required proof of insurance in accordance with this **Section 20**.

SECTION 21. INDEMNIFICATION

Section 21.01 LANDLORD shall protect, indemnify and hold harmless TENANT and its officers, officials, employees, contractors, agents and other persons from and against all liabilities, fines, penalties, actions, damages, claims, demands, judgments, losses, costs, expenses, suits or actions and reasonable attorneys' fees, arising out of the acts, omissions, or the negligence of LANDLORD, its officers, agents, servants, employees, contractors or subcontracts in connection with the Demised Premises and its obligations under the Lease; provided, however, that LANDLORD shall not indemnify for that portion of any claim, loss or damage arising under this Lease due to the negligent act or failure to act of the TENANT. LANDLORD shall defend TENANT and its officers, officials, employees, contractors, agents and other persons in any suit, including appeals, or at the County's option, pay reasonable attorney's fees for defense of any such suit arising out of the acts, omissions, or negligence of LANDLORD, its officers, officials, employees, subcontractors or agents, if any, in connection with the Demised Premises and LANDLORD's obligations under the Lease.

Section 21.02 To the extent permitted by law, TENANT shall indemnify LANDLORD, its agents, and employees from and against all claims (except for claims brought by Suffolk TENANT Employees under Workers' Compensation Laws), costs (including attorneys' fees), losses, and liabilities of whatsoever nature arising out of the intentional acts, omissions or negligence of the TENANT, its officers, agents, servants, invitees, contractors, licensees or employees.

SECTION 22. FIRE AND CASUALTY DAMAGE

Section 22.01 If either the entire Demised Premises or more than 50% of the Demised Premises is destroyed by fire or other casualty, and cannot be fully restored within one (1) year, this Lease will immediately terminate. In case of partial destruction or damage in an amount less that 50% of the Demised Premises, so as to render the entire Demised Premises untenantable, as reasonably determined by either LANDLORD or the TENANT, and LANDLORD is unable to guarantee the full restoration of the Demised Premises within six (6) months from the date of such partial destruction or damage, either party may terminate the Lease by giving written notice to the other party within sixty (60) calendar days of the fire or other casualty; if so terminated, no rent will accrue to the LANDLORD after such partial destruction or damage;

Section 22.02 As long as the TENANT is deprived of the use of any or all of the Demised Premises on account of fire or casualty, Total Annual Rent shall be abated in proportion to the usable area of the Demised Premises that are rendered substantially unfit for occupancy by such fire or casualty, unless, in the TENANT's sole judgment, such fire or casualty renders the undamaged part of the Demised Premises materially unsuitable for use by the TENANT for the uses contemplated by this Lease, in which event the Total Annual Rent shall be abated entirely during such period of deprivation.

Section 22.03 Unless LANDLORD or TENANT shall serve a termination notice as provided for in *Sections 22.01*, LANDLORD shall work diligently to make all repairs and restorations to the Demised Premises, with all reasonable expedition, subject to delays due to adjustment of

insurance claims and Excusable Delays. After any such casualty, TENANT shall cooperate with LANDLORD's restoration by removing from the Demised Premises as promptly as reasonably possible any of TENANT's salvageable inventory and movable equipment, furniture, and other property as requested by LANDLORD.

Section 22.04 The parties agree that this **Section 22** constitutes an express agreement governing any case of damage or destruction of the Demised Premises by fire or other casualty, and that Section 227 of the Real Property Law of the State of New York, which provides for such contingency in the absence of an express agreement, and any other law of like import now or hereafter in force shall have no applicability.

SECTION 23. AIR QUALITY

Section 23.01 The interior of the Demised Premises shall at all times maintain and meet Air Quality Standards suitable for and comparable to commercial office buildings, of similar age and construction type, in the Riverhead area. TENANT may provide, at its own cost, a written report by an outside independent consultant specializing in air quality analysis, notifying LANDLORD that the air quality in the interior Demised Premises is materially adversely affected by specifically found and identified mold or other air contaminants to levels significantly above those identified as normal for a commercial office building as described above. LANDLORD shall take prompt action to cure or otherwise remedy the condition at LANDLORD's sole cost and expense. Notwithstanding the foregoing, any condition caused by TENANT's use or occupancy of the Demised Premises may be cured or otherwise remedied by LANDLORD, at TENANT's sole cost and expense.

Section 23.02 Where LANDLORD has cured an Air Quality condition at the request of TENANT, LANDLORD shall also be required to provide a written report to TENANT, at LANDLORD's sole cost and expense (unless such Air Quality condition was caused by TENANT, in which case such report shall be provided at TENANT's sole cost and expense), provided by an outside consultant specializing in Air Quality analysis, reasonably acceptable to the Department, indicating that the condition has been cured and that the Air Quality is suitable for the use intended.

Section 23.03 LANDLORD shall not be required to cure any condition if such condition is caused by the acts or inactions of the TENANT, its invitees, employees, and/or agents.

SECTION 24. NEGATIVE COVENANTS

Section 24.01 TENANT shall not use, occupy, maintain, or operate the Demised Premises, nor suffer or permit the Demised Premises or any part thereof to be used, occupied, maintained, or operated, nor bring into or keep at the Demised Premises, nor suffer or permit anything to be brought into or kept therein, which would in any way (a) violate any term, covenant, or condition of this Lease, (b) violate any restrictive covenant, operating covenant, encumbrance, or easement affecting the Demised Premises, (c) violate any Legal Requirements, (d) make void or voidable any insurance policy then in force with respect to the Demised Premises or make any such insurance unobtainable or increase the rate of any insurance with respect to the Demised Premises, (e) cause physical damage to the Demised Premises or any part thereof, (f) permit the excess accumulation of waste or refuse matter, or (g) constitute a public or private nuisance.

Section 24.02 TENANT shall not place a load upon any floor or roof of the Demised Premises that exceeds the floor/roof load per square foot that such floor/roof was designed to carry or which is allowed by Legal Requirements.

SECTION 25. LANDLORD'S DEFAULT REMEDIES/DAMAGES

Section 25.01 Upon the occurrence, at any time prior to, or during the Term of the Lease, in addition to any other remedy available to LANDLORD at law or in equity, of any one or more of the following events (referred to as "Events of Default"):

(i) if TENANT shall default in the payment when due of any installment of Annual Base Rent, and any such default continues for ten (10) Business Days, except for January of each calendar year, then if such default in January continues beyond ten (10) Business Days, after LANDLORD shall give TENANT a written notice specifying such default; or

(ii) if TENANT defaults in the keeping, observance or performance of any covenant or agreement (other than a default of the character referred to in (i) above), and if such default continues and is not cured within thirty (30) days after LANDLORD gives TENANT written notice specifying same, or, in the case of a default which for causes beyond TENANT's reasonable control cannot, with reasonable diligence be cured within such period of thirty (30) days, if TENANT shall not immediately upon the giving of such written notice, (a) advise LANDLORD of TENANT's intention duly to institute all steps necessary to cure such default and (b) institute and thereafter diligently prosecute to completion all steps necessary to cure the same;

the following Sections shall apply and LANDLORD shall have the rights and remedies set forth herein, which rights and remedies may be exercised upon or at any time following the occurrence of an Event of Default unless, prior to such exercise, LANDLORD shall agree in writing with TENANT that the Event(s) of Default has been cured by TENANT in all respects.

Section 25.02 By notice to TENANT, LANDLORD shall have the right to terminate this Lease as of a date specified in the notice of termination and in such case, TENANT's rights, including any based on any option to renew, to the possession and use of the Demised Premises shall end absolutely as of the termination date; and this Lease shall also terminate in all respects except for the provisions hereof regarding LANDLORD's damages and TENANT's liabilities arising prior to, out of or following the Event of Default and the ensuing termination.

Section 25.03 Unless and until LANDLORD has terminated this Lease pursuant to *Section 25.02* above, TENANT shall remain fully liable and responsible to perform all of the covenants, and to observe all the conditions of this Lease throughout the remainder of the Term to the early termination date.

Section 25.04 LANDLORD shall have all rights and remedies now or hereafter existing at law or in equity with respect to the enforcement of TENANT's obligations hereunder and the recovery of the Demised Premises. No right or remedy herein conferred upon or reserved to LANDLORD shall be exclusive of any other right or remedy, but shall be cumulative and in addition to all other rights and remedies given hereunder or now or hereafter existing at law.

Section 25.05 No delay or forbearance by LANDLORD in exercising any right or remedy hereunder, or LANDLORD's undertaking or performing any act or matter which is not expressly required to be undertaken by LANDLORD shall be construed, respectively, to be a waiver of LANDLORD's rights or to represent any agreement by LANDLORD to undertake or perform such act or matter thereafter. Waiver by LANDLORD of any breach by TENANT of any covenant or condition herein contained (which waiver shall be effective only if so expressed in writing by LANDLORD) or failure by LANDLORD to exercise any right or remedy in respect of any such breach shall not constitute a waiver or relinquishment for the future of LANDLORD's right to have any such covenant or condition duly performed or observed by TENANT, or of LANDLORD's rights arising because of any subsequent breach of any such covenant or condition nor bar any right or remedy of LANDLORD in respect of such breach or any subsequent breach. LANDLORD's receipt and acceptance of any payment from TENANT which is tendered not in conformity with the provisions of this Lease or following an Event of Default (regardless of any endorsement or notation on any check or any statement in any letter accompanying any payment) shall not operate as an accord and satisfaction or a waiver of the right of LANDLORD to recover any payments then owing by TENANT which are not paid in full, or act as a bar to the termination of this Lease and the recovery of the Demised Premises because of TENANT's previous default.

Section 25.06 TENANT hereby expressly waives for itself and any person claiming through or under TENANT, any and all rights of redemption granted by or under any present or future laws in the event of TENANT being evicted or dispossessed for any cause, or in the event of LANDLORD's obtaining possession of the Demised Premises, by reason of the violation by TENANT of any of the covenants and conditions of this Lease or otherwise.

Section 25.07 Except for the monetary obligations of either party, LANDLORD and TENANT shall not be in default of this Lease because of such party's inability to perform the covenants and obligations set forth herein during the continuance of any period of Excusable Delays, except as may otherwise be expressly specified in this Lease.

As used in this Lease, the term "Excusable Delays" means delays arising without the fault or negligence of LANDLORD or LANDLORD's contractors, subcontractors, and suppliers, and shall include, without limitation: Acts of God or of the public enemy, fire, floods, unusual severe weather, epidemics, quarantine restrictions, strikes, labor disputes, major material shortages preventing procurement of such materials, riots, war insurrection, inaction or delay by governmental authorities, or other unforeseeable causes beyond the control and without the fault or negligence of LANDLORD, its contractors, and subcontractors.

SECTION 26. TENANT'S DEFAULT REMEDIES

Section 26.01 The covenant to pay rent and the covenant to provide any service, utility, maintenance, repair or replacements required under this Lease are interdependent. In the event of any failure by LANDLORD to provide any required service, utility, maintenance, repair or replacement, TENANT may, subject to the notice requirements set forth in *Section 26.02* below, by contract or otherwise, perform the requirement and provide LANDLORD with a written invoice containing the resulting cost to the TENANT, including an administrative fee in accordance with the provisions of *Section 26.03*. In the event LANLORD does not remit payment of such invoice to TENANT within thirty (30) days of LANDLORD's receipt of such invoice, then TENANT may deduct such amount from any payment due under this Lease, subject to the limitations set forth in *Section 26.03* below. This remedy is not exclusive, but is in addition to any other remedies which may be available to TENANT under this Lease or at law.

Section 26.02 If LANDLORD shall fail to perform any of its obligations under this Lease, TENANT may perform the same at the expense of LANDLORD (i) immediately in the case of an "Emergency," as defined below, after forty-eight (48) hours written notice; (ii) after seven (7) business days written notice if (a) such failure unreasonably interferes with the efficient operation of the Premises; or (b) such failure may result in a violation of any Legal Requirements or in the cancellation of any required insurance; or (iii) in any other case, if such failure continues after twenty (20) days from the date of the giving of written notice of TENANT's intention to perform the same, except in the case of a failure which for causes beyond LANDLORD's reasonable control cannot with reasonable diligence be cured within such 20-day period, such 20-day period shall be deemed extended if LANDLORD immediately upon the receipt of such notice, (a) advises TENANT of its intention to institute all steps necessary to cure such failure and (b) institutes and thereafter diligently prosecutes to completion all steps necessary to cure the same.

An "Emergency" means any situation where the Department, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid imminent material damage to all or any material portion of the Premises, (ii) to protect any Person from imminent harm, or (iii) to avoid the imminent unforeseen and unforeseeable suspension of any necessary material service in or to the Premises, the failure of which service would have a material and adverse effect on the Premises or the TENANT's ability to utilize the Premises for its intended purposes, including but not limited to, supplying heat, air-conditioning, ventilation, light and water to the Premises.

Section 26.03 If TENANT performs any of LANDLORD's obligations under this Lease, in accordance with this **Section 26**, LANDLORD shall pay TENANT the costs thereof, together with an administrative fee equal to five percent (5%) of the costs incurred, within thirty (30) days after receipt by LANDLORD of a written statement as to the amounts of such costs and fee. In the event LANDLORD does not remit the total amount of the costs and fee described herein within the requisite time, TENANT may withhold such amount from the next monthly installment of Annual Rent, subject to the limitation that in no event shall the amount withheld in any month exceed seven and one-half percent (7.5%) of the next monthly installment of Annual Rent. In the event that TENANT is limited from withholding the entire amount owed in any month, TENANT may continue to withhold monies from each next succeeding monthly installment of Annual Rent until the total expenses of TENANT and administrative fee are recouped from LANDLORD. No deduction from the Annual Rent shall be made where LANDLORD has submitted to TENANT a writing disputing the alleged failure in good faith and which demonstrates that LANDLORD is taking reasonable steps to resolve the dispute expeditiously. No deduction from Annual Rent pursuant to this clause shall constitute a default by TENANT under this Lease.

Section 26.04 In the event of an interruption, curtailment, or failure by LANDLORD to supply cooled or outside air, heat, elevator, plumbing or electricity for ten (10) consecutive business days after LANDLORD has received written notice of such interruption, curtailment or failure (except that this *Section 26.04* shall only apply in the event such interruption, curtailment or failure of such services occurs as a direct result of the negligence or failure by LANDLORD to comply with its repair or maintenance obligations regarding such systems, or design inadequacies), and where (a) such failure is not caused by Excusable Delays or causes reasonably beyond the control of LANDLORD, and (b) the Premises has been placed in a condition where TENANT can not reasonably be expected to continue to use the Premises for its intended purposes, and (c) LANDLORD has either not commenced to cure such condition or has not used reasonable diligence in following same to completion, the same shall constitute a constructive eviction, in

whole or in part, and TENANT shall be entitled to a pro rata abatement of rent during the period any such interruption, curtailment or failure continues and until such services are restored.

Section 26.05 No delay or forbearance by TENANT in exercising any right or remedy hereunder, or TENANT's undertaking or performing any act or matter which is not expressly required to be undertaken by TENANT shall be construed, respectively, to be a waiver of TENANT's rights or to represent any agreement by TENANT to undertake or perform such act or matter thereafter. Waiver by TENANT of any breach by LANDLORD of any covenant or condition herein contained (which waiver shall be effective only if so expressed in writing by TENANT) or failure by TENANT to exercise any right or remedy in respect of any such breach shall not constitute a waiver or relinquishment for the future of TENANT's right to have any such covenant or condition duly performed or observed by LANDLORD, or of TENANT's rights arising because of any subsequent breach of any such covenant or condition nor bar any right or remedy of TENANT in respect of such breach or any subsequent breach. TENANT's receipt and acceptance of any payment from LANDLORD which is tendered not in conformity with the provisions of this Lease or following an Event of Default (regardless of any endorsement or notation on any check or any statement in any letter accompanying any payment) shall not operate as an accord and satisfaction or a waiver of the right of TENANT to recover any payments then owing by LANDLORD which are not paid in full, nor shall it act as a bar to the termination of this Lease.

Section 26.06 If TENANT elects to perform any such requirement, the TENANT and each of its contractors shall be entitled to access to any and all areas of the building, access to which is necessary to perform any such requirement, and the LANDLORD shall afford and facilitate such access. No deduction from the Annual Base Rent shall be made while LANDLORD is disputing the alleged failure in good faith. No deduction from Annual Base Rent pursuant to this clause shall constitute a default by TENANT under this Lease.

SECTION 27. LANDLORD'S RIGHT TO INSPECT AND REPAIR; ACCESS GENERALLY

Section 27.01 LANDLORD may, but shall not be obligated to, enter the Demised Premises at any reasonable time, on reasonable written notice to TENANT (except that no notice need be given in case of emergency) for the purpose of inspection or the making of such repairs, replacements, and additions in, to, and about the Demised Premises, as necessary or desirable or to perform any covenant, obligation or service contemplated in this Lease. LANDLORD shall not be required to notify TENANT in connection with any entry into the Demised Premises during normal business hours for purposes of LANDLORD's obligations under this Lease to maintain or repair the Demised Premises, or to perform scheduled cleaning. LANDLORD shall provide telephonic notice at least one hour prior to entering the Demised Premises during non-business hours or to provide unscheduled cleaning services. Notwithstanding anything to the contrary contained in this Section, LANDLORD shall use reasonable efforts in its access of the Demised Premises to cause a minimal amount of interference with TENANT's use of the Demised Premises.

SECTION 28. SURRENDER OF DEMISED PREMISES; HOLDOVER

Section 28.01 This Lease and the tenancy hereby created shall cease and terminate at the end of the above term, without the necessity of any further notice from either the LANDLORD or the TENANT to terminate the same and that continued occupancy of the Demised Premises by the

Lessee after the expiration of said term shall not operate to renew the Lease for said term or any part thereof.

Section 28.02 On the Expiration Date, or upon the earlier termination of this Lease, TENANT shall, at its expense, quit, surrender, vacate, and deliver the Demised Premises to LANDLORD in good order, condition and repair, ordinary wear and tear and damage for which TENANT is not responsible under the terms of the Lease, or damage by the elements, fire or other casualty beyond TENANT's reasonable control excepted, together with all improvements therein. TENANT shall, at its expense, remove from the Demised Premises all TENANT's personal property and any personal property of Persons claiming by, through or under TENANT, equipment, furniture, and any Alterations not approved by LANDLORD, and shall repair or pay the cost of repairing all damage to the Demised Premises occasioned by such removal. Any TENANT's personal property or Alterations of TENANT, which shall remain in the Demised Premises after the termination of this Lease, shall be deemed to have been abandoned and either may be retained by LANDLORD as its property or may be stored or disposed of as LANDLORD may see fit. If property not so removed shall be sold, LANDLORD may receive and retain the proceeds of such sale and apply the same, at LANDLORD's option, against the reasonable expenses of the sale, moving and storage, arrears of rent and any damages to which LANDLORD may be entitled. Any excess proceeds shall be the property of LANDLORD.

Section 28.03 If TENANT shall remain in possession of the Demised Premises after the termination of this Lease without the execution of a new lease, TENANT, subject to all of the other terms of this Lease insofar as the same are applicable to a month-to-month tenancy, and without waiving TENANT's default or preventing LANDLORD from suing to obtain possession, shall be deemed to be occupying the Demised Premises as a tenant from month to month, at a monthly rental equal to one hundred and eight percent (108%) of the monthly rent last payable by TENANT hereunder.

Section 28.04 The provisions of this **Section 28** shall survive the expiration or earlier termination of this Lease.

SECTION 29. NOTICES

Section 29.01 **Operational Notices:** Any communication, notice, claim for payment, reports, insurance, or other submission necessary or required to be made by the parties regarding this Lease shall be in writing and shall be given to the TENANT or LANDLORD or their designated representative, by regular or certified mail in postpaid envelope or by a nationally recognized Courier Service at the following addresses or at such other address that may be specified in writing by the parties and must be delivered as follows: (a) if to TENANT, to the Suffolk County Department of Public Works, Attention: Commissioner, 335 Yaphank Avenue, Yaphank, New York 11980; with a copy to the Suffolk County Department of Law, Attn: Suffolk County Attorney, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, New York 11788-0099; and (b) if to LANDLORD, at LANDLORD's address first above set forth, or at such other address as TENANT or LANDLORD, respectively, may designate in writing.

Section 29.02 **Notices Relating to Termination and/or Litigation:** In the event LANDLORD receives a notice or claim or becomes a party (plaintiff, petitioner, defendant, respondent, third party complainant, third party defendant) to a lawsuit or any legal proceeding related to this Lease, LANDLORD shall immediately deliver to the TENANT Attorney, at the address set forth above, copies of all papers filed by or against LANDLORD.

a. Any communication or notice regarding termination shall be in writing and shall be given to the TENANT or the LANDLORD or their designated representative at the addresses set forth in *Section 29.01* or at such other addresses that may be specified in writing by the parties and shall be deemed to be duly given only if delivered: (i) personally [personal service on TENANT must be pursuant to New York Civil Practice Law and Rules Section 311]; (ii) by nationally recognized overnight courier; or (iii) mailed by registered or certified mail in a postpaid envelope addressed: Notice shall be deemed to have been duly given (1) if delivered personally, upon acceptance or refusal thereof, (2) if by nationally recognized overnight courier, the first Business Day subsequent to transmittal and (3) if mailed by registered or certified mail, upon the seventh Business Day after the mailing thereof.

b. Any notice by either party to the other with respect to the commencement of any lawsuit or legal proceeding shall be effected pursuant to and governed by the New York Civil Practice Law and Rules or the Federal Rules of Civil Procedure, as applicable.

Section 29.03 Each party shall give prompt written notice to the other party of the appointment of successor(s) to the designated contact person(s) or his or her designated successor(s).

SECTION 30. SUBORDINATION, NONDISTURBANCE AND ATTORNMENT

Section 30.*01* TENANT agrees that this Lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the Demised Premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect present or subsequent subordination of this Lease. TENANT agrees, however, within fifteen (15) Business Days next following the Suffolk County Attorney's Office receipt of a written demand, to execute such instruments as LANDLORD may reasonably request to evidence further the subordination of this Lease to any existing or future mortgage, deed of trust or other security interest pertaining to the Demised Premises, and to any water, sewer or access easement necessary or desirable to serve the Demised Premises or adjoining property owned in whole or in part by LANDLORD if such easement does not interfere with the full enjoyment of any right granted the TENANT under this Lease, subject to the conditions stated in *Section 30.05*.

Section 30.02 No such subordination, to either existing or future mortgages, deed of trust or other lien or security instrument shall operate to affect adversely any right of the TENANT under this First Extension so long as the TENANT is not in default under this First Extension. LANDLORD will include in any future mortgage, deed of trust or other security instrument to which this First Extension becomes subordinate, or in a separate nondisturbance agreement, a provision to the foregoing effect. LESSSOR warrants that the holders of all notes or other obligations secured by existing mortgages, deed of trust or other security instruments have consented to the provisions of this clause, and agrees to provide true copies of all such consents to the TENANT promptly upon demand.

Section 30.03 In the event of any sale of the Demised Premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the TENANT will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the Demised Premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of the LANDLORD under this Lease, so as to establish direct

privity of estate and contract between TENANT and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the Lease had initially been entered into between such purchasers or transferees and the TENANT; provided, further, that such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this Lease, or other writings, as shall be necessary to document the foregoing relationship.

Section 30.04 Within twenty (20) days next following the TENANT's receipt of a joint written request from LANDLORD and a prospective lender of purchaser of the Demised Premises, the County Attorney's Office shall execute and deliver to LANDLORD a letter stating that the same is issued subject to the conditions stated in *Section 31.05*, and, if such is the case, that (1) the Lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

Section 30.05 Letters issued pursuant to *Section 30.04* are subject to the following conditions: (1) that they are based solely upon a reasonably diligent review of the TENANT's Lease file as of the date of issuance; (2) that the TENANT shall not be held liable because of any defect in or condition of the Demised Premises; (3) that the TENANT does not warrant or represent that the Demised Premises comply with applicable Federal, State and local law; and (4) that the LANDLORD, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable pre-purchase and pre-commitment inspection of the Demised Premises and by inquiry to appropriate Federal, State, and local government officials.

SECTION 31. ASSIGNMENT AND SUBLETTING

Section 31.01 TENANT shall not assign, sublet, or otherwise transfer any portion of the Demised Premises or this Lease without the prior written consent of LANDLORD, which consent shall not be unreasonably withheld or delayed, and upon such reasonable terms and conditions that may then be imposed by LANDLORD.

SECTION 32. LANDLORD'S RIGHT TO SHOW PREMISES

Section 32.01 LANDLORD may, at any time, show the Demised Premises to prospective purchasers and mortgagees and, during the twelve (12) months prior to the expiration of this Lease, to prospective tenants, during "Business Hours," as that term is defined below, upon reasonable notice to TENANT or by other special arrangement between LANDLORD and TENANT.

For the purposes of this Lease, the term "Business Hours" means from 8:30 a.m. to 5:30 p.m. during Business Days.

SECTION 33. EMINENT DOMAIN

Section 33.01 If the Demised Premises, or any part thereof, or any estate therein, or any other part of the building materially affecting TENANT's use of the Demised Premises, including parking area, be taken by virtue of eminent domain, this Lease shall terminate on the date when title vests pursuant to such taking, rent shall be apportioned as of said date and any Annual Rent paid for any period beyond said date shall be repaid to TENANT. TENANT shall not be entitled

to any part of the award or any payment in lieu thereof; however, TENANT may file a claim for any taking of fixtures and improvements owned by TENANT, and for moving expenses.

Section 33.02 TENANT shall have the right to make a claim against the condemning authority for any taking of TENANT's personal property and for business interruption, moving and related expenses, provided TENANT shall make a separate claim therefore which shall not impair LANDLORD's claim or recovery.

Section 33.03 Notwithstanding the foregoing, if all or any portion of the Demised Premises shall be condemned or taken for governmental occupancy for a limited period of time, this Lease shall continue in full force and effect (with an abatement of Annual Rent, as applicable). If the termination of such governmental occupancy is prior to expiration of this Lease, LANDLORD shall restore the Premises as nearly as possible to its condition prior to the condemnation or taking.

SECTION 34. ENVIRONMENTAL RESPONSIBILITIES

Section 34.01 TENANT shall not use or suffer the use of all or any part of the Demised Premises to treat, generate, store, dispose of, transfer, release, convey or recover any "Hazardous Substances," as that term is defined below. TENANT shall immediately notify LANDLORD of the presence or suspected presence of any Hazardous Substance on or about the Demised Premises and shall deliver to LANDLORD any notice received by TENANT with respect to any Hazardous Substance relating thereto.

For purposes of this Lease, the term "Hazardous Substance" means (i) asbestos and any asbestos containing material and any substance that is listed in, or otherwise classified pursuant to any "Environmental Laws," as that term is defined below, or any applicable laws or regulations as "hazardous substance", "hazardous material", "hazardous waste", "infectious waste", toxic substance", "toxic pollutant", or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or "EP toxicity", (ii) any petroleum and drilling fluids, produced waters, and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources and (iii) petroleum product, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, and medical waste. "Hazardous Substance" shall not include normal cleaning and personal household products being used in their intended manner and otherwise in a manner that is in compliance with Environmental Laws.

"Environmental Laws" means any and all present and future federal, state, and local laws, ordinances, rules, regulations, decisions, and standards relating to protection of human health and the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 et.seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. 6901 et.seq. ("RCRA"); the Occupational Safety and Health Act) 29 U.S.C. 651 et.seq. ("OSHA"). Environmental Laws shall also include, but are not limited to, any requirements relating to underground storage tanks, the storage and use of gasoline, diesel fuel, waste oil or other petroleum products.

Section 34.02 LANDLORD represents and warrants that to LANDLORD's actual knowledge, the Demised Premises has not been used for the generation, treatment, storage, or disposal of hazardous waste, and LANDLORD certifies that. to LANDLORD's actual knowledge, the

Demised Premises comply with all applicable Federal, State, and local regulations concerning the provision of a safe work environment free from environmental contaminants and hazards.

Section 34.03 Except to the extent the same are the obligations of TENANT under the Lease, LANDLORD shall comply with all Environmental Laws affecting or related to its use or ownership of the Demised Premises, including but not limited to, the construction or demolition of any improvement thereon, and shall give TENANT prompt notice of any lack of compliance with any of the foregoing of which it obtains knowledge and of any notice it receives of the alleged non-compliance with Environmental Laws. TENANT shall cooperate with LANDLORD's efforts hereunder; provided, however, that TENANT shall not be required to incur any out of pocket costs in so doing. LANDLORD shall indemnify TENANT against all claims, losses, costs, expenses, fines, penalties and damages which may be imposed by reason of, or arising out of LANDLORD's failure to fully and promptly comply with the provisions of this Section.

Section 34.04 Subject to the provisions of *Section 32.02*, TENANT, at its expense, shall comply with all Environmental Laws applicable to the Demises Premises and shall give LANDLORD prompt notice of any lack of compliance with any of the foregoing and of any notice it receives of the alleged violation of any Environmental Laws. LANDLORD shall cooperate with TENANT's efforts hereunder.

Section 34.05 The provisions of this **Section 34** shall survive the expiration or earlier termination of this Lease.

SECTION 35. [INTENTIONALLY OMITTED]

SECTION 36. QUIET ENJOYMENT

Section 36.01 LANDLORD covenants that if and so long as TENANT pays Total Annual Rent and Expenses, and fully and faithfully performs the covenants hereof, TENANT shall peaceably and quietly have, hold and enjoy the Demised Premises for the Term, subject to the provisions of this Lease.

SECTION 37. NO IMPLIED WAIVER

Section 37.01 No failure or delay by either party to insist upon the strict performance of any provision of this Lease, or to exercise any right, power or remedy consequent upon a breach thereof, and no acceptance of full or partial rent or other performance by either party during the continuance of such breach shall constitute a waiver of any such provision.

SECTION 38. SUFFOLK COUNTY LEGISLATIVE REQUIREMENTS

Section 38.01 The parties agree to be bound by the terms of Suffolk County Legislative Requirements, annexed hereto as **Exhibit D** and made a part hereof.

SECTION 39. ADDITIONAL DISCLOSURE REQUIREMENTS

Section 39.01 In addition to the requirements set forth under **Exhibit C (1)**, LANDLORD represents and warrants that it shall submit to TENANT verified Public Disclosure Statements ("Statements") required pursuant to the Land Acquisition Public Disclosure Law of Suffolk

County (S.C. Code Chapter 342. An updated Land Acquisition Public Disclosure Statements shall be submitted whenever there is a change in any information required pursuant to S.C. Code § 342-6.

Section 39.02 LANDLORD acknowledges that the filing of these statements is a material, contractual and statutory duty and that failure to file the statements shall constitute a material breach of this Lease, for which TENANT shall be entitled, upon a determination that such breach has occurred, to damages, in addition to all other legal remedies, of five percent (5%) of the amount of the Total Annual Rent for the year in which the breach has occurred; provided, however, no penalty shall be due unless and until LANDLORD has received a written notice of failure to file the requisite forms and fifteen (15) Business Days to cure. No breach shall be deemed to have occurred in the event that TENANT has failed to provide the requisite forms to be completed by LANDLORD upon LANDLORD's request for same. In any event, TENANT agrees to provide LANDLORD with written notice of any anticipated or actual breach of this **Section 39**.

Section 39.03 LANDLORD agrees to notify TENANT in writing prior to any transfer of title or conveyance by operation of law. In the event of a transfer of title or a conveyance by operation of law which results in a conflict of interest under State or local law, TENANT shall have the right to cancel this Lease upon three (3) months notice to LANDLORD from the date of TENANT's discovery of such transfer or conveyance, unless the consent of the TENANT to such transfer is obtained prior thereto, which consent shall not be unreasonably withheld. Such consent shall not be required for (i) a transfer between current owners or their spouses, children, or trusts or entities for the benefit of such persons; or (ii) any financial institution or mortgagee following a foreclosure or deed-in-lieu of foreclosure. Incident to such application for consent, new Statements, and an affirmation of the provisions of Local Law No. 32-1980 (relating to the offering of gratuities) shall be submitted by the proposed new owner, in accordance with the requirements of the TENANT by registered or certified mail, return receipt requested, addressed to the Suffolk County Department of Law, H. Lee Dennison Building, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, New York 11788 or such other address as TENANT may designate in writing. The failure of the TENANT to object to such proposed transfer by notice delivered either personally or by nationally recognized overnight courier to LANDLORD within ten (10) business days of receipt of such application shall constitute consent on the part of the TENANT.

SECTION 40. COOPERATION ON CLAIMS

Section 40.01 Each of the parties hereto agrees to render diligently to the other party, without additional compensation, any and all cooperation, that may be required to defend the other party, its employees and designated representatives against any claim, demand or action that may be brought against the other party, its employees or designated representatives in connection with this Lease.

SECTION 41. MISCELLANEOUS

Section 41.01 Neither LANDLORD nor TENANT shall be permitted to record this Lease or a memorandum thereof.

Section 41.02 References contained herein to Sections, Exhibits and Schedules shall be deemed to be references to the Articles, Exhibits, and Schedules of and to this Lease unless specified to the contrary.

SECTION 42. NOT A CO-PARTNERSHIP OR JOINT VENTURE

Section 42.01 Nothing herein contained shall create or be construed as creating a co-partnership or joint venture between the TENANT and LANDLORD or to constitute the LANDLORD as an agent or employee of the TENANT.

SECTION 43. BROKER

Section 43.01 LANDLORD and TENANT each represent and warrant to the other that no broker brought about this Lease. LANDLORD and TENANT hereby agree to indemnify and hold the other harmless against any claim, demand and judgment which may be made or obtained against one of the parties by any broker claiming a commission for representing the other, in connection with bringing about this Lease. TENANT or LANDLORD shall forthwith notify other of any such claim, demand or legal action for purposes of requesting defense against any such claim, demand or legal action..

SECTION 44. CERTIFICATION

Section 44.01 The parties to this Lease hereby certify that, other than the funds provided in this Lease and other valid agreements with the TENANT, there is no known relationship within the third degree of consanguinity, life partner, or business, commercial, economic, or financial relationship between the parties, the signatories to this Lease, and any partners, members, directors, or shareholders of more than five per cent (5%) of any party to this Lease.

SECTION 45. NOT IN DEFAULT

Section 45.01 LANDLORD warrants that, as of the date hereof, it is not in arrears to the TENANT upon debt or contract and is not in default as a surety, contractor or otherwise on any obligation to or contract with the TENANT.

SECTION 46. GOVERNING LAW

Section 46.01 This Lease shall be governed by the laws of the State of New York. In the event of any dispute or litigation, the venue of any proceeding to determine the rights and liabilities of the respective parties arising under this Agreement shall be in the New York Supreme Court, Suffolk County; or, in the event of a proceeding in the federal courts, in the District Court for the Eastern District of New York.

SECTION 47. WAIVER OF TRIAL BY JURY

Section 47.01 It is mutually agreed by and between LANDLORD and TENANT that the respective parties hereto shall and they hereby do waive any right to trial by jury in any action, proceeding or in any other matter in any way connected with this Lease, the relationship of LANDLORD and TENANT, the Demised Premises, and/or any claim of injury or damage, or for the enforcement of any remedy under any statute, emergency or otherwise.

SECTION 48. DISPOSITION OF THE PREMISES

Section 48.01 LANDLORD agrees to reasonably notify TENANT in writing prior to any transfer of title or conveyance by operation of law affecting the Demised Premises. In the event of a transfer of title or a conveyance by operation of law which results in a conflict of interest under State or local law, TENANT shall have the right to cancel this Lease upon three (3) months notice to LANDLORD from the date of TENANT's discovery of such transfer or conveyance, unless the consent of the TENANT to such transfer is obtained prior thereto, which consent shall not be unreasonably withheld. Such consent shall not be required for (i) a transfer between current owners or their spouses, children, or trusts or entities for the benefit of such persons; or (ii) any financial institution or mortgagee following a foreclosure or deed-in-lieu of foreclosure. Incident to such application for consent, new Disclosure Statements, and an affirmation of the provisions of Local Law No. 32-1980 (relating to the offering of gratuities) shall be submitted by the proposed new owner, in accordance with the requirements of the TENANT by registered or certified mail, return receipt requested, addressed to the Suffolk County Department of Law, H. Lee Dennison Building, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, New York 11788 or such other address as TENANT may designate in writing. The failure of the TENANT to object to such proposed transfer by notice delivered either personally or by nationally recognized overnight courier to LANDLORD within ten (10) business days of receipt of such application shall constitute consent on the part of the TENANT.

SECTION 49. SUCCESSORS BOUND

Section 49.01 This Lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors and assigns.

SECTION 50. TENANT REPRESENTATIVES

Section 50.01 It is expressly understood and agreed by and between the parties hereto that the officers, officials, employees and agents of the TENANT are acting in a representative capacity for the County of Suffolk and not for their own benefit, and that LANDLORD shall not have any claim against them or any of them as individuals in any event whatsoever.

SECTION 51. INDEPENDENT CONTRACTOR

Section 51.01 It is expressly agreed that LANDLORD's status hereunder is that of an independent contractor. Neither the LANDLORD, nor any person hired by LANDLORD shall be considered employees of the TENANT for any purpose.

SECTION 52. EXECUTION BY LANDLORD

Section 52.01 When the LANDLORD is a partnership, the names of the partners composing the firm must be stated in the Statements required under **Section 1** of **Exhibit C** of this Lease. The Lease must be signed with the partnership name, followed by the name of the partner signing the Lease.

Section 52.02 Where the LANDLORD is a corporation, the Lease must be signed with the corporate name, followed by the signature and title of the officer or other authorized person signing the Lease on its behalf, and if requested by the TENANT, the corporate seal.

Section 52.03 LANDLORD warrants that its entry into this Lease was duly considered and authorized by its organizational body and pursuant to its by-laws and/or internal procedures.

SECTION 53. SUFFOLK COUNTY LAWS

Section 53.01 Suffolk County Local Laws, Rules and Regulations can be found on the Suffolk County web site at **http://legis.suffolkcountyny.gov/.** Click on **"Search the Laws of Suffolk County."**

SECTION 54. APPROPRIATION OF FUNDS

Section 54.01 It is understood by the parties hereto that this Lease is made subject to the amount of funds appropriated therefor and any subsequent modifications thereof for the period of this Lease by the Suffolk County Legislature, and no liability on account thereof shall be incurred by the TENANT beyond the amount of funds appropriated.

Section 54.02 The TENANT reasonably believes that funds can be obtained sufficient to pay Annual Base Rent during each year of the Term of this Lease and hereby covenants that it will do all things lawfully within its power to obtain, maintain, and properly request and pursue funds from which Annual Base Rent may be paid, including making provisions for such payments to the extent necessary in each budget submitted for the purpose of obtaining funding, using its bona fide best efforts to have such portion of the budget approved. It is the TENANT's intent to pay Annual Base Rent each year, for the full Term of this Lease, if funds are legally available therefore and, in that regard, the TENANT represents that the use of the Demised Premises are necessary to its proper, efficient and economic operation. LANDLORD and TENANT understand and intend that the obligation of the TENANT to pay Annual Base Rent hereunder shall constitute a current expense of the TENANT and shall not in any way be construed to be a debt of the TENANT in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the TENANT, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of the TENANT.

Section 54.03 Notwithstanding anything contained in this Lease to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable by any means whatsoever in any fiscal period for payment of Annual Base Rent due under this Lease, TENANT shall immediately notify LANDLORD or its assignee of such occurrence and this Lease shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to the TENANT of any kind whatsoever, except as the portions of Annual Base Rent herein agreed upon for which funds have been appropriated and budgeted. In the event of such termination, TENANT agrees to peacefully surrender possession of the Demised Premises to LANDLORD or its assignee on the date of such termination. LANDLORD will have all legal and equitable rights and remedies to take possession of the Demised Premises. Notwithstanding the foregoing, TENANT agrees:

i) that it will not cancel this Lease under the provisions of this Section if any funds are appropriated to it, or by it, for the acquisition, retention or operation of the Demised Premises for the fiscal period in which such termination occurs or the next succeeding fiscal period thereafter, and

ii) that it will not during the Term give priority in the application of funds to any other functionally similar premises.

iii) This paragraph will not be construed so as to permit the TENANT to terminate this Lease in order to acquire or lease any other premises or to allocate fund directly or indirectly to perform essentially the same application for which the Demised Premises are intended.

SECTION 55. IDENTIFICATION NUMBER

All invoices or vouchers submitted to the TENANT for payment of rent and/or Expenses must include the payee's (LANDLORD's) identification number. The number is either the LANDLORD's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such umbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on his invoice or Standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

SECTION 56. PARAGRAPH HEADINGS

The paragraph headings in this Lease are included for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

SECTION 57. SEVERABILITY

It is expressly agreed that if any term or provision of this Lease and/or any amendment hereto, or the application thereof to any person or circumstances, shall be held invalid or unenforceable to any extent, the remainder of this Lease and any amendment hereto, or the application of such term or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and every other term and provision of this Lease and any amendment hereto shall be valid and shall be enforced to the fullest extent permitted by law.

SECTION 58. ENTIRE AGREEMENT

It is expressly agreed that this instrument represents the entire agreement of the parties and that all previous understandings are merged in this Lease; and that no modifications hereof shall be valid unless written evidence thereof shall be executed by the parties thereto.

SECTION 59. NO ORAL CHANGES

It is expressly agreed that this Agreement represents the entire agreement of the parties, that all previous understandings are merged in this Agreement. No modification of this Agreement shall be valid unless written in the form of an Amendment and executed by both parties.

SECTION 60. INTERPRETATION

This Lease is to be construed and interpreted without regard to any presumption or other rule requiring construction or interpretation against the party causing this Lease to be drafted.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed and delivered as of the date first set forth above.

LANDLORD

IB3 ENTERPRISES INC.

By: _____
Name:
Date: _____
Federal ID No. _____

TENANT

COUNTY OF SUFFOLK

By: _____
Name:
Title: Deputy County Executive
Date: _____

APPROVED AS TO LEGALITY:
CHRISTINE MALAFI

Suffolk County Attorney
By: _____
Basia Deren Braddish
Title: Assistant County Attorney

RECOMMENDED
SPACE MANAGEMENT STEERING COMMITTEE
By: _____
Name:
Title: Chairperson

RECOMMENDED
DIVISION OF REAL PROPERTY ACQUISITION AND MANAGEMENT
By: _____
Name: Pamela J. Greene
Title: Director

-ACKNOWLEDEMENTS FOLLOW -

ACKNOWLEDGEMENT

STATE OF NEW YORK}
SS:
COUNTY OF SUFFOLK}

On the ____ day of January in the year 2010 before me, the undersigned, personally appeared _____, personally known to me or provided to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individuals(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

ACKNOWLEDGEMENT

STATE OF NEW YORK}
SS:
COUNTY OF SUFFOLK}

On the ____ day of January in the year 2010 before me, the undersigned, personally appeared _____, *Deputy County Executive* personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individuals(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A
FLOOR PLAN

EXHIBIT B
Summary of Landlord-Tenant Responsibilities – Rev 1/09

ITEM	LANDLORD	TENANT
1) UTILITIES – Usage		
A) OIL		X
B) GAS (If separately metered)		X
C) WATER (If separately metered)		X
D) ELECTRICITY (if separately metered)		X
E) SEWER CHARGES/TAXES	X	
2) H.V.A.C. EQUIPMENT	X	
A) REPAIR & REPLACE	X	
B) ORDINARY PREVENTIVE MAINTENANCE	X	
C) CHANGE AIR FILTER: QUARTERLY	X	
3) ELECTRIC EQUIPMENT	X	
A) REPAIR & REPLACE	X	
B) INTERIOR LAMP & BALLAST REPLACEMENT		X
C) EMERGENCY LIGHTING AND EXIT LIGHTING	X	
D) PARKING FIELD & EXTERIOR BULDING LIGHTING	X	
E) PARKING FIELD LAMP REPLACEMENT	X	
4) PLUMBING	X	
A) REPAIR & REPLACE	X	
B) ORDINARY PREVENTIVE MAINTENANCE	X	
C) CLEAN OUT: DRAINAGE STRUCTURES & SYSTEMS	X	
D) CLEAN OUT: SEWAGE STRUCTURES & SYSTEMS	X	
5) STRUCTURAL REPAIRS	X	
A) REPAIR: SIDEWALKS, CURBS, RAMPS, DRIVEWAYS, PARKING AREAS, ROOF & ROOFING, INTERIOR (DUE TO FAULTY CONSTRUCTION), DRAINAGE STRUCTURES & SYSTEMS, SEWAGE STRUCTURES & SYSTEMS	X	

ITEM	LANDLORD	TENANT
B) Repair: BUILDING ENVELOPE	X	
6) CUSTODIAL		X
7) CLEAN WINDOWS – EXTERIOR, 1X/year	X	
8) SHAMPOO CARPETS AND WAX FLOORS (as needed)		X
9) CARTAGE	X	
A) MEDICAL WASTE	N/A	
10) SNOW & ICE REMOVAL TO PARKING AREAS, DRIVES, RAMPS & WALKS	X	
11) GROUNDS MAINTENANCE	X	
A) GRASS & LANDSCAPING MAINTENANCE	X	
B) IRRIGATION OF GRASS & LANDSCAPING	X	
C) PARKING FIELD	X	
D) PARKING FIELD SWEEPING AND DEBRIS REMOVAL	X	
12) REPAIRS & MAINTENANCE OF COMMON USE AREAS	X	
13) INTERIOR MAINTENANCE AND REPAIRS (NOT CAUSED BY TENANT MISUSE, ABUSE OR NEGLECT)	X	
14) GLAZING (NOT CAUSED BY TENANT DAMAGE)	X	
15) TAXES	X	7% of amount over Base Year
16) VERMIN AND RODENT EXTERMINATION	X	
17) FIRE SPRINKLERS & RPZ – MAINTENANCE AND TESTING	X	
18) FIRE AND SECURITY ALARM – INSTALLATION, MAINTENANCE AND REPAIR	X	
19) FRES CONNECTION – MAINTENANCE AND REPAIR	X	
20) FIRE EXTINGUISHERS – INSTALLATION AND MAINTENANCE	X	
21) FLAG POLE		
22) ELEVATOR REPAIR AND MAINTENANCE	X	

EXHIBIT C
SUFFOLK COUNTY LEGISLATIVE REQUIREMENTS

1. Contractor's/Vendor's Public Disclosure Statement

The Contractor represents and warrants that it has filed with the Comptroller of Suffolk County the verified public disclosure statement required by Suffolk County Administrative Code Article V, Section A5-7 and shall file an update of such statement with the said Comptroller on or before the 31st day of January in each year of this Agreement's duration.

Required Form: Suffolk County Form SCEX 22; entitled "Contractor's/Vendor's Public Disclosure Statement"

2. Living Wage Law

This Agreement is subject to the Living Wage Law of the County of Suffolk. The law requires that, unless specific exemptions apply all employers (as defined) under service contracts and recipients of County financial assistance, (as defined) shall provide payment of a minimum wage to employees as set forth in the Living Wage Law. Such rate shall be adjusted annually pursuant to the terms of the Suffolk County Living Wage Law of the County of Suffolk. Under the provisions of the Living Wage Law, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

The Contractor represents and warrants that it has read and shall comply with the requirements of Suffolk County Code Chapter 347, Suffolk County Local Law No. 12-2001, the Living Wage Law.

Required Forms: Suffolk County Living Wage Form LW-1; entitled "Suffolk County Department of Labor – Living Wage Unit Notice of Application for County Compensation (Contract)"

Suffolk County Living Wage Form LW-38; entitled "Suffolk County Department of Labor – Living Wage Unit Living Wage Certification/Declaration – Subject To Audit"

3. Use of County Resources to Interfere with Collective Bargaining Activities Local Law No. 26-2003

The Contractor represents and warrants that it has read and is familiar with the requirements of Chapter 466, Article 1 of the Suffolk County Local Laws, "Use of County Resources to Interfere with Collective Bargaining Activities". County Contractors (as defined) shall comply with all requirements of Local Law No. 26-2003 including the following prohibitions:

a. The Contractor shall not use County funds to assist, promote, or deter union organizing.

b. No County funds shall be used to reimburse the Contractor for any costs incurred to assist, promote, or deter union organizing.

c. The County of Suffolk shall not use County funds to assist, promote, or deter union organizing.

d. No employer shall use County property to hold a meeting with employees or supervisors if the purpose of such meeting is to assist, promote, or deter union organizing.

If Contractor services are performed on County property the Contractor must adopt a reasonable access agreement, a neutrality agreement, fair communication agreement, nonintimidation agreement and a majority authorization card agreement.

If Contractor services are for the provision of human services and such services are not to be performed on County property, the Contractor must adopt, at the least, a neutrality agreement.

Under the provisions of Local Law No. 26-2003, the County shall have the authority, under appropriate circumstances, to terminate this Agreement and to seek other remedies as set forth therein, for violations of this Law.

Required Form: Suffolk County Labor Law Form DOL-LO1; entitled "Suffolk County Department of Labor – Labor Mediation Unit Union Organizing Certification/Declaration – Subject to Audit"

4. Lawful Hiring of Employees Law

This Agreement is subject to the Lawful Hiring of Employees Law of the County of Suffolk (Local Law 52-2006). It provides that all covered employers, (as defined), and the owners thereof, as the case may be, that are recipients of compensation from the County through any grant, loan, subsidy, funding, appropriation, payment, tax incentive, contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or an awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees (as defined) and with respect to the alien and nationality status of the owners thereof. The affidavit shall be executed by an authorized representative of the covered employer or owner, as the case may be; shall be part of any executed contract, subcontract, license agreement, lease or other financial compensation agreement with the County; and shall be made available to the public upon request.

All contractors and subcontractors (as defined) of covered employers, and the owners thereof, as the case may be, that are assigned to perform work in connection with a County contract, subcontract, license agreement, lease or other financial compensation agreement issued by the County or awarding agency, where such compensation is one hundred percent (100%) funded by the County, shall submit to the covered employer a completed sworn affidavit (under penalty of perjury), the form of which is attached, certifying that they have complied, in good faith, with the requirements of Title 8 of the United States Code Section 1324a with respect to the hiring of covered employees and with respect to the alien and nationality status of the owners thereof, as the case may be. The affidavit shall be executed by an authorized representative of the contractor, subcontractor, or owner, as the case may be; shall be part of any executed contract,

subcontract, license agreement, lease or other financial compensation agreement between the covered employer and the County; and shall be made available to the public upon request.

An updated affidavit shall be submitted by each such employer, owner, contractor and subcontractor no later than January 1 of each year for the duration of any contract and upon the renewal or amendment of the contract, and whenever a new contractor or subcontractor is hired under the terms of the contract.

The Contractor acknowledges that such filings are a material, contractual and statutory duty and that the failure to file any such statement shall constitute a material breach of this agreement.

Under the provisions of the Lawful Hiring of Employees Law, the County shall have the authority to terminate this Agreement for violations of this Law and to seek other remedies available under the law.

The Contractor represents and warrants that it has read, is in compliance with, and shall comply with the requirements of Suffolk County Code Chapter 234, Suffolk County Local Law No. 52-2006, the Lawful Hiring of Employees Law.

Required Forms: Suffolk County Lawful Hiring of Employees Law Form LHE-1; entitled "Suffolk County Department of Labor –"Notice Of Application To Certify Compliance With Federal Law (8 U.S.C. SECTION 1324a) With Respect To Lawful Hiring of Employees"

"Affidavit Of Compliance With The Requirements Of 8 U.S.C. Section 1324a With Respect To Lawful Hiring Of Employees" Form LHE-2.

5. Gratuities

The Contractor represents and warrants that it has not offered or given any gratuity to any official, employee or agent of Suffolk County or New York State or of any political party, with the purpose or intent of securing an agreement or securing favorable treatment with respect to the awarding or amending of an agreement or the making of any determinations with respect to the performance of an agreement, and that the signer of this Agreement has read and is familiar with the provisions of Local Law No. 32-1980 of Suffolk County (Chapter 386 of the Suffolk County Code).

6. Prohibition Against Contracting with Corporations that Reincorporate Overseas

The Contractor represents that it is in compliance with Suffolk County Administrative Code Article IV, §§A4-13 and A4-14, found in Suffolk County Local Law No. 20-2004, entitled "A Local Law To Amend Local Law No. 5-1993, To Prohibit The County of Suffolk From Contracting With Corporations That Reincorporate Overseas." Such law provides that no contract for consulting services or goods and services shall be awarded by the County to a business previously incorporated within the U.S.A. that has reincorporated outside the U.S.A.

7. Child Sexual Abuse Reporting Policy

The Contractor agrees to comply with Chapter 577, Article IV, of the Suffolk County Code, entitled "Child Sexual Abuse Reporting Policy", as now in effect or amended hereafter or of any other Suffolk County Local Law that may become applicable during the term of this Agreement with regard to child sexual abuse reporting policy.

8. Non Responsible Bidder

The Contractor represents and warrants that it has read and is familiar with the provisions of Suffolk County Code Chapter 143, Article II, §§143-5 through 143-9. Upon signing this Agreement the Contractor certifies that he, she, it, or they have not been convicted of a criminal offense within the last ten (10) years. The term "conviction" shall mean a finding of guilty after a trial or a plea of guilty to an offense covered under the provision of Section 143-5 of the Suffolk County Code under "Nonresponsible Bidder."

9. Use of Funds in Prosecution of Civil Actions Prohibited

Pursuant to the Suffolk County Code Section §590-3, the Contractor represents that it shall not use any of the moneys received under this Agreement, either directly or indirectly, in connection with the prosecution of any civil action against the County of Suffolk or any of its programs, funded by the County, in part or in whole, in any jurisdiction or any judicial or administrative forum.

10. Suffolk County Local Laws

Suffolk County Local Laws, Rules and Regulations can be found on the Suffolk County web site at *www.co.suffolk<http://www.co.suffolk.ny.us>. Click on "Laws of Suffolk County" under "Suffolk County Links."*

SUFFOLK COUNTY
County Legislature
RIVERHEAD, NY

This is to Certify That I, TIM LAUBE, Clerk of the County Legislature of the County of Suffolk, have compared the foregoing copy of resolution with the original resolution now on file in this office, and which was duly adopted by the County Legislature of said County on October 12, 2010 and that the same is a true and correct transcript of said resolution and of the whole thereof.

In Witness Whereof, I have hereunto set my hand and the official seal of the County Legislature of the County of Suffolk.

Tim Laube

Clerk of the Legislature

Intro. Res. 1956 Res. No. 968

October 12, 2010

Motion:
Romaine, Schneiderman, Browning, Muratore, Losquadro
Eddington, Montano, Cilmi, Lindsay, Viloria-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

Co-Sponsors:
Romaine, Schneiderman, Browning, Muratore, Losquadro
Eddington, Montano, Cilmi, Lindsay, Viloria-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

Second:
Romaine, Schneiderman, Browning, Muratore, Losquadro
Eddington, Montano, Cilmi, Lindsay, Viloria-Fisher, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Cooper

LD	Legislator	Yes	No	Abs	NP	R
1	Edward P. ROMAINE	✓				
2	Jay H. SCHNEIDERMAN	✓				
3	Kate M. BROWNING	✓				
4	Thomas MURATORE	✓				
6	Daniel P. LOSQUADRO	✓				
7	Jack EDDINGTON	✓				
9	Ricardo MONTANO	✓				
10	Thomas CILMI	✓				
11	Thomas F. BARRAGA	✓				
12	John M. KENNEDY, JR.	✓				
13	Lynne C. NOWICK	✓				
14	Wayne R. HORSLEY	✓				
15	DuWayne GREGORY	✓				
16	Steven H. STERN	✓				
17	Lou D'AMARO	✓				
18	Jon COOPER	✓				
5	Vivian VILORIA-FISHER, D.P.O.	✓				
8	William J. LINDSAY, P.O.	✓				
	Totals	18				

MOTION

X Approve
___ Table: _____
___ Send To Committee
___ Table Subject To Call
___ Lay On The Table
___ Discharge
___ Take Out of Order
___ Reconsider
___ Waive Rule ___
___ Override Veto
___ Close
___ Recess

APPROVED X FAILED ___
No Motion ___ No Second ___

RESOLUTION DECLARED

X ADOPTED
___ NOT ADOPTED

Roll Call ___ Voice Vote X

Tim Laube

Tim Laube, Clerk of the Legislature