

## OFFICE SPACE LEASE

**THIS OFFICE SPACE LEASE (“Lease”)** is entered into as of the date indicated on the City signature page below, by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado, for and on behalf of its Department of Aviation (the “**City**”), and **SMITHS DETECTION INC.**, a Nevada corporation authorized to do business in the State of Colorado (“**Tenant**”), and collectively (the “**Parties**”).

### WITNESSETH

**WHEREAS**, the City owns and operates Denver International Airport (“**DEN**” or the “**Airport**”) and has the power to grant rights and privileges with respect thereto, as hereinafter provided; and

**WHEREAS**, the Tenant is a contractor for Transportation Security Administration’s (“**TSA**”); and

**WHEREAS**, the Tenant is seeking to rent space from the City in support of its work for the TSA; and

**WHEREAS**, in order to provide office space for the Tenant, the Parties desire to enter into this Lease for the use of certain office space at the Airport, all as more fully hereinafter set forth;

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements herein contained, the Parties hereby mutually undertake, promise and agree, each for itself and its successors, as follows:

### SECTION I. GENERAL

#### 1.1 CONSIDERATION

City enters into this Office Space Lease for and in consideration of the payment of rent, the construction of all improvements by Tenant as herein provided, and the performance and observance by Tenant of the covenants and agreements herein.

#### 1.2 INCORPORATION OF EXHIBITS AND ADDENDA

This lease consists of Sections 1 through 11 which precede the signature pages and the following attachments which are incorporated herein and made part hereof by reference:

- Appendix 1: Standard Federal Assurances
- Exhibit A: Office Space Plan
- Exhibit B: Insurance Requirements

### **1.3 ORDER OF PRECEDENCE**

In the event of an irreconcilable conflict between a provision of Sections 1 through 11 and any of the above-listed attachments or between provisions of any attachments such that is impossible to give effect to both, the order of precedence to determine which provision shall control in order to resolve such conflict is as follows, in descending order:

Appendix 1  
Sections 1 through 11 hereof  
Exhibit B  
Exhibit A

## **SECTION II. DEFINITIONS**

### **2.1 AIRPORT**

"Airport" or "DEN" shall mean Denver International Airport.

### **2.2 AUDITOR**

"Auditor" shall mean the City's Auditor and their authorized representative.

### **2.3 EXECUTIVE OFFICER**

"CEO" shall mean the Chief Executive Officer of the City and County of Denver's Department of Aviation, or their successor in function.

### **2.4 CONCOURSES**

"Concourses" shall mean Concourses A, B and C located at the Airport but specifically excepts the Terminal as herein defined.

### **2.5 COMMENCEMENT DATE**

"Commencement date" shall mean the date that the Tenant begins occupying the Office Space, as defined below.

### **2.6 CEO'S AUTHORIZED REPRESENTATIVE**

Wherever reference is made herein to the "CEO's authorized representative", or words of similar import are used, such officer or employee of the City shall be such authorized representative of said CEO until written notice otherwise is given to Tenant.

## **2.7 DEN DESIGN STANDARDS**

"DEN Design Standards" shall mean the design standards and criteria for Denver International Airport, and as hereafter amended.

## **2.8 DEN TENANT DEVELOPMENT GUIDELINES**

"DEN Tenant Development Guidelines" shall mean the criteria established at DEN for tenants and concessionaires for design, construction, installation, signage and related matters, and as hereafter amended.

## **2.9 PAST DUE INTEREST RATE**

"Past Due Interest Rate" shall mean interest accruing at 18% per annum commencing on the fifth business day after the date such amount is due and owing until paid to City.

## **2.10 OFFICE SPACE**

"Office Space" shall mean the office space as generally depicted on the Office Space Plan attached hereto as **Exhibit A**, which is located in the east Main Terminal, Level 3, Module 1 containing 568.8 square feet. City and Tenant acknowledge and agree that the dimensions and locations of the Office Space as set forth in **Exhibit A** are approximate. The CEO may add or subtract square footage of up to 10% of the Office Space with the prior written consent of the Tenant without City Council approval.

## **2.11 TERMINAL**

"Terminal" shall mean the Jeppesen Terminal Building located at the Airport.

# **SECTION III. LEASE OF OFFICE SPACE**

## **3.1 OFFICE RIGHTS GRANTED**

City grants to Tenant the right to occupy and use the Office Space consistent with and subject to all of the terms and provisions of this Office Space Lease.

## **3.2 USE OF OFFICE SPACE**

Tenant may use the Office Space only for office use solely in support of its operations at DEN, and for no other purposes, unless otherwise authorized in writing by the CEO.

### **3.3 MEANS OF ACCESS**

A. Tenant, its agents and employees, have a non-exclusive right of ingress to and egress from the Office Space by a means of access located outside the boundaries of such space as specified by City. In non-public areas, such access shall be restricted under the Airport's security requirements as described in the section herein entitled "Security," and the City may at any time close, relocate, reconstruct or modify such means of access, provided that a reasonably convenient and adequate means of ingress and egress is available for the same purposes. The City has established access corridors and access door locations for the Office Space, and such plans are available from Airport Planning and Design.

B. Nothing in this Office Space Lease shall be construed to prevent the City from charging the operators of vehicles carrying passengers and property a fee for the privilege of entering upon the Airport or using the roadways in or on the Airport, or soliciting passengers upon the Airport, or otherwise operating on the Airport; and City reserves the right to make such charges provided that they do not discriminate unreasonably against the operators of vehicles used for carrying officers, employees, passengers or property of Tenant.

### **3.4 RIGHT OF INSPECTION**

City retains the full right of entry in and to the Office Space for any purpose necessary, incidental to or in connection with its obligations hereunder, or in the exercise of its governmental functions, or for the purpose of making any inspection it deems necessary.

## **SECTION IV. TERM**

### **4.1 TERM**

"Term" shall mean the period commencing on the date of January 1, 2026 (the "**Commencement Date**") and ending four (4) years thereafter (the "**Expiration Date**"). Any provision to the contrary notwithstanding, this Office Space Lease may be terminated by the City prior to the Expiration Date or any extension thereof, with or without cause, upon thirty (30) days written notice to Tenant signed by the CEO. Tenant may terminate this Lease prior to the Expiration Date, with or without cause, upon thirty (30) days written notice to the City.

### **4.2 SURRENDER OF OFFICE SPACE**

Upon the expiration or earlier termination of this Office Space Lease or on the date specified in any demand for possession by City after any Default by Tenant, Tenant covenants and agrees to surrender possession of the Office Space to City in the same condition as when first occupied, ordinary wear and tear excepted.

#### **4.3 REASSIGNMENT OF OFFICE SPACE**

After consultation with affected tenants, in order to maximize the highest and best use of the Airport, the City may at its sole discretion, relocate and reassign the Tenant's use and lease of the Office Space upon sixty (60) days advance written notice. The City will be responsible for costs related to any such relocations and/or assignments.

#### **4.4 HOLDING OVER**

If Tenant holds over after expiration of the Term or any extension thereof, thereafter Tenant's occupancy shall be deemed a month-to-month tenancy at a monthly rental equal to 150% of the monthly rent provided in Section 5 herein, unless otherwise modified in writing. Tenant shall be subject to all other terms and conditions of this Office Space Lease not specifically modified above. The CEO, in their sole discretion, may waive the additional rent and allow Tenant to holdover at the rates stated in Section 5. Nothing herein shall be construed to give Tenant the right to hold over, and City may exercise any remedy at law or in equity to recover possession of the Office Space, as well as any damages incurred by City.

### **SECTION V. RENT**

#### **5.1 RENT**

Tenant covenants and agrees, without offset, deduction, or abatement, to pay the City a total of **Twenty Thousand Four Hundred Seventy-Six Dollars and Eighty Cents (\$20,476.80)** each year of the term of the Office Space Lease as annual rent for the rights and privileges herein granted by City, which sum is reserved to the City and shall be payable in monthly installments. Said obligation to pay rent shall commence upon the Effective Date set forth in Section 4.1 herein and continue through the Term hereof.

#### **5.2 PAYMENT OF MONTHLY RENT**

The Annual Rent shall be payable by Tenant to City in twelve (12) equal installments (the "**Monthly Rent**") in advance and without demand on the Commencement Date and on the first day of each month thereafter. The Monthly Rent equal installment payment shall be in the amount of **One Thousand Seven Hundred Six Dollars and Forty Cents (\$1,706.40)** for the Term of the Office Space Lease.

#### **5.3 INTEREST ON PAST DUE AMOUNTS**

Any payments not made to City when due shall accrue interest at the Past Due Interest Rate, as herein defined.

#### **5.4 PLACE AND MANNER OF PAYMENTS**

All sums payable to City hereunder shall be made without notice at the following: Airport Revenue Fund

Denver International Airport  
PO Box 492065  
Denver, Colorado 80249-2065

or at such other place as the CEO or their authorized representative may hereafter designate by notice in writing to Tenant. All sums shall be made in legal tender of the United States. Any check given to the City shall be received by it subject to collection, and Tenant agrees to pay any charges, fees or costs incurred by the City for such collection, including reasonable attorney fees.

#### **5.5 REESTABLISHMENT OF RENTALS, FEES, AND CHARGES**

- A. The City, through the CEO, may from time to time, at intervals of not more than five (5) years, at the CEO's sole discretion, and subject to the requirements of any outstanding bond ordinance pertaining to the Airport, reestablished the rentals, fees, and charges provided herein. The City agrees that such reestablished schedule of rentals, fees, and charges shall be reasonable in relation to the cost of providing, operating, and maintaining property, services, and facilities of the airport system.
- B. If the CEO proposes any change in the schedule of rentals, fees, and charges, the City will give notice thereof to Tenant not less than 90 days before the same is to become effective. Should the proposed rentals, fees, and charges result in an increase of more than 5% in the dollar amount of compensation paid by Tenant for the prior calendar year, then Tenant may decline to pay compensation at the new rate(s). Tenant shall promptly advise the CEO (but in no event less than 60 days prior to the proposed effective date of such schedule of rentals, fees, and charges) of its intention to cancel and terminate this Office Space Lease. Upon such notice of intent to cancel and terminate, Tenant shall surrender the Office Space upon a date specified by the CEO. Should Tenant fail to give such notice of cancellation and termination, then it shall be deemed to have accepted the new rate(s) of compensation as promulgated by the CEO.
- C. No failure by the City to reestablish the rentals, fees, and charges at a five (5) year interval date shall constitute a waiver of the City's right to reestablish the rentals, fees, and charges at any time thereafter.

## SECTION VI. USE OF OFFICE SPACE

### 6.1 CARE OF AREA

Tenant agrees that it will keep the Office Space in a neat, clean, safe, sanitary and orderly condition at all times, and further agrees that it will keep such area free at all times of all paper, rubbish, spills, and debris. Tenant, at its own expense, shall collect and deposit all trash and refuse at frequent intervals at collection station locations specified by the City. Accumulation of boxes, cartons, barrels or other similar items shall not be permitted in any public area in the Airport.

### 6.2 VENDING MACHINES

No amusement or vending machines or other machines operated by coins, tokens or credit cards shall be installed or maintained in or upon the Office Space except with the written permission of the CEO or their authorized representative. This prohibition includes, but not by way of limitation, sales from vending machines of such items as cigarettes, candy, maps, coffee, soft drinks, newspapers, stamps and insurance policies; telephones; dispensation of cash, money orders and checks; and operation of mechanical or electronic game devices, electronic video games, and entertainment devices.

### 6.3 COMPLIANCE WITH ALL LAWS AND REGULATIONS

A. Tenant agrees not to use or permit the Office Space to be used for any purpose prohibited by the laws of the United States or the State of Colorado or the ordinances or Charter of the City and County of Denver, or not authorized hereunder, and it further agrees that it will use the Office Space in accordance with all existing and future applicable federal, state and local laws and all general rules and regulations adopted by the City or the CEO for the management, operation and control of the Airport, either promulgated by the City on its own initiative or in compliance with regulations or actions of the Federal Aviation Administration or other authorized federal agency.

B. Tenant agrees to submit any report, reports or information which the City is required by law or regulation to obtain from Tenant or which the CEO may reasonably request relating to Tenant's operations. Tenant further agrees that the City's Auditor or their authorized representative shall, until expiration of three (3) years after final payment under this Lease, have the right to inspect or examine any books and records of Tenant which are directly pertinent to Tenant's obligations under this Office Space Lease.

### 6.4 COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

A. Tenant, in conducting any activity on the Office Space, shall comply with all existing and future applicable local, state or federal environmental rules, regulations, statutes, laws or orders (collectively **"Environmental Requirements"**), including but not limited to Environmental Requirements regarding the office use and disposal of Hazardous Materials or Special Wastes and regarding releases or threatened releases of Hazardous Materials or Special Wastes to the environment. For purposes of this Office Space Lease the terms "Hazardous Materials" shall refer to

those materials, including without limitation asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, pesticides, and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance," "hazardous waste" or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq. (1990)), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq. (1990)), and any rules or regulations promulgated pursuant to such statutes or any other applicable federal or state statute. Tenant shall comply with the City's Ordinance 196, as amended on March 18, 1991 (amendments to the City Uniform Public Code related to water conservation fixtures).

B. Tenant shall acquire all necessary federal, state and local environmental permits and comply with all applicable federal and state environmental permit requirements.

C. Tenant agrees to ensure that its Office Space is designed, constructed, operated and maintained in a manner that minimizes environmental impact through appropriate preventive measures and complies with all federal, state and local environmental requirements. Tenant agrees to evaluate methods to reduce the generation and disposal of waste materials. Wastewater from maintenance or operational activities shall be pretreated with sand and grease traps.

D. In the case of a release, spill or leak as a result of Tenant's activities, Tenant shall immediately control and remediate the contaminated media to applicable federal, state and local standards. Tenant shall reimburse the City for any penalties and all cost and expense, including without limitation attorney fees, incurred by the City as a result of the release or disposal by Tenant of any pollutant or hazardous material on the Airport.

## **6.5 WASTE OR IMPAIRMENT OF VALUE**

Tenant agrees that nothing shall be done or kept in the Office Space which might impair the value of the City's property or which would constitute waste.

## **6.6 HAZARDOUS USE**

Tenant agrees that nothing shall be done or kept in the Office Space and no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Office Space which might be unsafe or hazardous to any person or property. Further, Tenant shall not do or permit to be done any act or thing upon the Office Space which will invalidate, suspend or increase the rate of any fire insurance policy required under this Office Space Lease, or carried by the City, covering the Office Space or the buildings in which the Office Space is located or which, in the opinion of the CEO or her authorized representative, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under this Office Space Lease. If, by reason of any failure by Tenant to comply with the provisions of this section, after receipt of notice in writing from the City, any fire insurance rate on the Office Space or on the buildings in which the same is located, shall at any time be higher than it normally would be, then Tenant shall pay the City, on demand, that part of all fire insurance premiums paid by the City which have been charged because of such violation or failure of Tenant; provided, that nothing herein shall preclude Tenant from bringing,

keeping or using on or about the Office Space such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on the normal operations contemplated herein.

## **6.7 STRUCTURAL OR ELECTRICAL OVERLOADING**

Tenant agrees that nothing shall be done or kept on the Office Space and no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Office Space which might impair the structural soundness of the building, result in an overload of utility lines serving the Terminal and/or Concourses or interfere with electric, electronic or other equipment at the Airport. In the event of violations hereof, Tenant agrees immediately to remedy the violation at Tenant's expense.

## **6.8 NOISE, ODORS, VIBRATIONS AND ANNOYANCES**

Tenant shall conduct its operations in an orderly and proper manner so as not to commit any nuisance in the Office Space or annoy, disturb or be offensive to others in the Airport and shall take all reasonable measures, using the latest known and practicable devices and means, to eliminate any unusual, nauseous or objectionable noise, gases, vapors, odors and vibrations.

## **6.9 ACCESSIBILITY**

A. Tenant shall not do or permit to be done anything which might interfere with the effectiveness or accessibility of utility, heating, ventilating or air conditioning systems or portions thereof on the Office Space or elsewhere on the Airport, nor do or permit to be done anything which may interfere with free access and passage in the Office Space or the public areas adjacent thereto, or hinder police, firefighting or other emergency personnel in the discharge of their duties. Further, Tenant shall not do or permit to be done anything which might interfere with the effectiveness or accessibility of elevators or escalators in or adjacent to the Office Space, including lines, pipes, wires, conduits and equipment connected with or appurtenant thereto.

B. Tenant shall not place any additional lock of any kind upon any window or interior or exterior door in the Office Space, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefor is maintained on the Office Space, nor refuse, upon the expiration or sooner termination of this Office Space Lease, to surrender to the City any and all keys to the interior or exterior doors on the Office Space, whether said keys were furnished to or otherwise procured by Tenant. If any keys furnished to Tenant by City are lost, Tenant shall pay the City, on demand, the cost for replacement thereof.

## **6.10 NO AUCTION**

Tenant agrees not to allow or permit any sale by auction or hawking on the Office Space.

## **6.11 CONSTRUCTION OF IMPROVEMENTS/RESTRICTION ON CHANGES**

A. Tenant shall, at its sole cost and expense, construct and install any improvements pursuant to the Airport's Tenant Development Guidelines and Design Standards Manual, both of which are publicly available and incorporated herein by reference, and pursuant to the City's building permit process and the customary terms and conditions thereof.

B. Tenant shall, unless otherwise instructed, complete its design, obtain building permits and complete construction no later than thirty (30) days after execution of this Office Space Lease. Such period may be extended by the CEO if completion of Improvements was delayed through no fault of Tenant; however, in no event shall such extension affect the date upon which rent is due.

C. Thereafter, Tenant agrees not to alter, add to, remove or demolish any of the Improvements on the Office Space without the prior written approval of the CEO.

## **6.12 TITLE TO IMPROVEMENTS**

Tenant agrees that all improvements to the Office Space, including approved changes and renovations, which are affixed to the realty, shall become the property of the City upon their completion and acceptance by City.

## **6.13 REMOVAL OF TENANT'S EQUIPMENT**

Tenant shall retain title to and shall remove, at its sole cost, prior to the expiration or termination of this Office Space Lease, all of Tenant's Equipment, as hereinafter defined. "**Tenant's Equipment**" shall mean all equipment, apparatus, machinery, furnishings, trade fixtures and personal property installed by Tenant and used in the operation of the business of Tenant (as distinguished from the use and operation of the Office Space) which is listed on an annual inventory list submitted by Tenant and approved by the City and maintained in the City's Airport Property Office. If such removal shall injure or damage the Office Space, Tenant agrees, at its sole cost, at or prior to the expiration or termination of this Office Space Lease, to repair such injury or damage in good and workmanlike fashion and to place the Office Space in the same condition as the Office Space would have been if such Tenant's Equipment had not been installed. If Tenant fails to remove any of Tenant's Equipment by the expiration or termination of this Office Space Lease, City may, at its option, keep and retain any such Tenant's Equipment or dispose of the same and retain any proceeds therefrom, and City shall be entitled to recover from Tenant any costs of City in removing the same and in restoring the Office Space in excess of the actual proceeds, if any, received by City from disposition thereof.

## **6.14 JANITORIAL SERVICES AND MAINTENANCE**

Tenant shall, at its expense, be responsible for janitorial services for the Office Space.

## **SECTION VII. UTILITIES AND SERVICES**

### **7.1 HEATING AND AIR CONDITIONING (HVAC)**

A. Tenant shall, at its expense, furnish, install and maintain any ductwork and other connections within or leading into its Office Space required to connect and complete the HVAC from the Airport's central system for the Office Space.

B. City shall, at its expense, furnish normal and reasonable quantities of central air from the central HVAC system to the Office Space and all necessary power and electricity for such central air circulation. Subject to conditions beyond its control, the City shall maintain under normal conditions a temperature adequate for comfortable occupancy according to the season; provided, that Tenant properly maintains the ductwork and other connections within or leading into its Office Space and complies with the recommendations of the City's engineer regarding reasonable use of the Office Space.

### **7.2 ELECTRICITY**

Tenant shall, at its expense, furnish, install and maintain an electric meter at a location and of a type specified by the City, and shall pay all costs for electricity used within the Office Space. Tenant shall furnish, install and maintain all power circuits and connections required for equipment and mechanical systems used in the Office Space. Any bills by the City for such costs shall be due within thirty (30) days and shall accrue interest at the Past Due Interest Rate if not paid when due.

### **7.3 WATER SERVICE**

If Tenant requires water service to the Office Space, Tenant shall, at its expense, furnish, install and maintain a water meter for the Office Space at a location and of a type specified by the City and shall pay all costs for water used within the Office Space. Tenant shall be responsible for all pipe tie-in and water hook-up of its equipment.

### **7.4 LIGHTING**

Tenant shall, at its expense, furnish, install and maintain all lighting fixtures and wiring for general illumination of the Office Space. Levels of illumination and wattage requirements shall be subject to approval by City.

### **7.5 STRUCTURAL MAINTENANCE**

City shall, at its expense, maintain all structural parts of the Terminal and Concourses, including exterior glass, walls and roof but specifically excluding improvements made by Tenant.

## **7.6 COMMON USE SERVICES**

The CEO may establish common use services at the Airport, including but not limited to trash and refuse removal, deliveries, industrial waste handling, recycling and security guards. The CEO reserves the right to establish charges for common use services based upon documented actual costs. Trash, sewer and deliveries will be common use services, which Tenant may be required to use and pay its pro rata actual share; however, other common use services may be utilized at Tenant's option. Tenant agrees to pay the charges for those common use services which are utilized by Tenant.

## **7.7 INTERRUPTION OF SERVICES**

Tenant agrees that City shall not be liable for failure to supply any utility services. City reserves the right to temporarily discontinue utility services at such time as may be necessary by reason of accident, unavailability of employees, repairs, alterations or improvements or whenever by reason of strikes, lockouts, riots, acts of God or any other happenings beyond the control of the City, the City is unable to furnish such utility services. The City shall not be liable for damages to persons or property for any such discontinuance, nor shall such discontinuance in any way be construed as cause for abatement of rent or operate to release the Tenant from any of its obligations hereunder, except as otherwise provided in the section entitled "Damage, Destruction or Loss."

# **SECTION VIII. DEFENSE AND INDEMNIFICATION**

## **8.1 INDEMNITY**

A. Tenant hereby agrees to defend, indemnify, reimburse and hold harmless City, its appointed and elected officials, agents and employees for, from and against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to the work performed under this Lease ("Claims"), unless such Claims have been specifically determined by the trier of fact to be the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Tenant or its subcontractors either passive or active, irrespective of fault, including City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

B. Tenant's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether Claimant has filed suit on the Claim. Tenant's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

C. Tenant will defend any and all Claims which may be brought or threatened against City and will pay on behalf of City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of City shall be in addition to any other legal remedies available to City and shall not be considered City's exclusive remedy.

D. Insurance coverage requirements specified in this Lease shall in no way lessen or limit the liability of the Tenant under the terms of this indemnification obligation. The Tenant shall obtain, at its own expense, any additional insurance that it deems necessary for the City's protection.

E. This defense and indemnification obligation shall survive the expiration or termination of this Lease.

## 8.2 INSURANCE

A. Tenant shall obtain and keep in force all of the minimum insurance coverage forms and amounts set forth in **Exhibit B** ("Insurance Requirements") during the entire term of this Lease, including any extensions of the Office Space Lease or other extended period stipulations stated in **Exhibit B**. All certificates of insurance and any required endorsements must be received and approved by DEN Risk Management before any airport access or work commences.

B. Tenant shall ensure and document that all subcontractors performing services or providing goods hereunder procure and maintain insurance coverage that is appropriate to the primary business risks for their respective scope of performance. At minimum such insurance must conform to all applicable requirements of DEN Rules and Regulations Part 230 and all other applicable laws and regulations.

C. The City in no way warrants or represents the minimum limits contained herein are sufficient to protect Tenant from liabilities arising out of the performance of the terms and conditions of this Lease by Tenant, its agents, representatives, employees, or subcontractors. Tenant shall assess its own risks and maintain higher limits and/or broader coverage as it deems appropriate and/or prudent. Tenant is not relieved of any liability or other obligations assumed or undertaken pursuant to this Lease by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types.

D. In no event shall the City be liable for any of the following: (i) business interruption or other consequential damages sustained by Tenant; (ii) damage, theft, or destruction of Tenant's inventory, or property of any kind; or (iii) damage, theft, or destruction of an automobile, whether or not insured.

E. The Parties understand and agree that the City, its elected and appointed officials, employees, agents and volunteers are relying on, and do not waive or intend to waive by any provisions of this Lease, the monetary limitations and any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 120, or otherwise available to the City, its elected and appointed officials, employees, agents and volunteers.

### **8.3 PERFORMANCE SURETY**

Upon execution of this Office Space Lease, Tenant shall deliver to the CEO, and maintain in effect at all times, throughout the Term an irrevocable letter of credit, or such other acceptable surety as first approved in writing by City, in an amount equal to three (3) months of monthly rent, which amount is subject to increase by the CEO. Such guarantee shall be payable without condition to the City and guarantee to the City full and faithful performance of (i) all of the terms and provisions of this Office Space Lease as it may be amended, supplemented or extended and (ii) all obligations and duties under all general rules and regulations adopted by the City or the CEO for the management, operation and control of the Airport as amended or supplemented. All irrevocable letters of credit shall be in a form, and issued by a bank, acceptable to the City.

### **8.4 NO PERSONAL LIABILITY**

No director, officer or employee of either party hereto shall be held personally liable under this Office Space Lease or because of its execution or attempted execution.

### **8.5 TAXES, LICENSES, LIENS AND FEES**

Tenant agrees to promptly pay all taxes, excises, license fees and permit fees of whatever nature applicable to its operations hereunder and to take out and keep current all municipal, state or federal licenses required for the conduct of its business at and upon the Office Space and further agrees not to permit any of said taxes, excises, license fees or permit fees to become delinquent. Tenant also agrees not to permit any mechanic's or materialman's or any other lien to become attached or be foreclosed upon the Office Space or improvements thereto, or any part thereof, by reason of any work or labor performed or materials furnished by any mechanic or materialman. Tenant agrees to furnish to the CEO, upon request, duplicate receipts or other satisfactory evidence showing the prompt payment by it of Social Security, unemployment insurance and worker's compensation insurance, and all required licenses and all taxes. Tenant further agrees to promptly pay when due all bills, debts and obligations incurred by it in connection with its operations hereunder and not to permit the same to become delinquent and to suffer no lien, mortgage, judgment or execution to be filed against the Office Space or improvements thereon which will in any way impair the rights of the City under this Office Space Lease.

## **SECTION IX. DEFAULT AND REMEDIES**

### **9.1 DEFAULT**

Tenant shall be in default under this Office Space Lease if Tenant:

- A. Fails to timely pay when due to City the compensation, rent or any other payment required hereunder; or
- B. Tenant is in default under any other Agreement with the City at the Airport; or

C. Becomes insolvent, or takes the benefit of any present or future insolvency or bankruptcy statute, or makes a general assignment for the benefit of creditors, or consents to the appointment of a receiver, trustee or liquidator of any or substantially all of its property; or

D. Transfers its interest under this Office Space Lease, without the prior written approval of the City, by reason of death, operation of law, assignment, sublease or otherwise, to any other person, entity or corporation; or Abandons, deserts or vacates the Office Space; or

E. Suffers any lien or attachment to be filed against the Office Space, the Airport or City's property because of any act or omission of Tenant, and such lien or attachment is not discharged or contested by Tenant in good faith by proper legal proceedings within twenty (20) days after receipt of notice thereof by Tenant; or

F. Fails to keep, perform and observe any other promise, covenant or agreement set forth in this Office Space Lease and such failure continues for a period of more than thirty (30) days after delivery by CEO of a written notice of such breach or default, except where a shorter period is specified herein, or where fulfillment of its obligation requires activity over a period of time and Tenant within ten (10) days of notice commences in good faith to perform whatever may be required to correct its failure to perform and continues such performance without interruption except for causes beyond its control; or

G. Uses or gives its permission to any person to use for any illegal purpose any portion of the Airport made available to Tenant for its use under this Office Space Lease.

## **9.2 REMEDIES**

If Tenant defaults in any of the covenants, terms and conditions herein, the City may exercise any one or more of the following remedies:

A. The City may elect to allow this Office Space Lease to continue in full force and effect and to enforce all of City's rights and remedies hereunder, including without limitation the right to collect rent as it becomes due together with Past Due Interest; or

B. The City may cancel and terminate this Office Space Lease and repossess the Office Space, with or without process of law, and without liability for so doing, upon giving thirty (30) days written notice to Tenant of its intention to terminate, at the end of which time all the rights hereunder of the Tenant shall terminate, unless the default, which shall have been stated in such notice, shall have been cured within such thirty (30) days. Notwithstanding the foregoing, Tenant shall be allowed only two notices of default hereunder which it may cure within the time specified in this section. The third notice shall be final, and the City shall at its option (1) cancel and terminate all rights hereunder of the Tenant, reenter the Office Space, remove therefrom all property of the Tenant and store the same at the expense of the Tenant, or (2) elect to proceed under subparagraph C. below.

If City elects to terminate, Tenant shall be liable to City for all amounts owing at the time of termination, including but not limited to rent due plus interest thereon at the Past Due Interest Rate

together with any other amount to fully compensate City for all loss of rent, damages, and costs, including attorney fees, caused by Tenant's failure to perform its obligations hereunder, or which in the ordinary course would likely result therefrom.

C. The City may elect to reenter and take possession of the Office Space and expel Tenant or any person claiming under Tenant, and remove all effects as may be necessary, without prejudice to any remedies for damages or breach. Such reentry shall not be construed as termination of this Office Space Lease unless a written notice specifically so states; however, the City reserves the right to terminate this Office Space Lease at any time after reentry. Following reentry, the City may relet the Office Space, or any portion thereof, for the account of Tenant, on such terms and conditions as the City may choose and may make such repairs or improvements as it deems appropriate to accomplish the reletting. The City shall not be responsible for any failure to relet or any failure to collect rent due for such reletting.

Tenant shall be liable to City for all costs of reletting, including attorney fees and repairs or improvements. Notwithstanding re-entry by the City, Tenant shall continue to be liable for all amounts due as rent under this Office Space Lease, on the dates specified and, in such amounts, as would be payable if default had not occurred. Upon expiration of the Term, or any earlier termination of this Office Space Lease by the City, the City, having credited to the account of Tenant any amounts recovered through reletting, shall refund, without interest, any amount that exceeds the rent, damages and costs payable by Tenant under this Office Space Lease.

### **9.3 REMEDIES CUMULATIVE**

The remedies provided in this Office Space Lease shall be cumulative and shall in no way affect any other remedy available to City under law or equity.

### **9.4 ADMINISTRATIVE HEARING**

Disputes arising out of this Office Space Lease shall be resolved by administrative hearing before the CEO following the procedures outlined in Denver Revised Municipal Code Section 5-17; provided, that City shall retain its right to obtain an order of eviction in accordance with applicable state law. It is further agreed that no cause of action shall be brought against the City until there has been full compliance with the terms of this paragraph.

### **9.5 WAIVERS**

No failure of City to insist upon the strict performance of a term, covenant or agreement contained in this Office Space Lease, no failure by City to exercise any right or remedy under this Office Space Lease, and no acceptance of full or partial payment during the continuance of any default by Tenant shall constitute a waiver of any such term, covenant or agreement or a waiver of any such right or remedy or a waiver of any default by Tenant.

## **SECTION X. DAMAGE, DESTRUCTION OR LOSS**

### **10.1 DAMAGE TO OR DESTRUCTION OF OFFICE SPACE**

If the Office Space, or any portion thereof, is destroyed or damaged by fire or otherwise to an extent which renders it unusable, City may rebuild or repair any portions of the building structure destroyed or damaged, and, if the cause was beyond the control of Tenant, the obligation of Tenant to pay the rent hereunder shall abate as to such damaged or destroyed portions during the time they are unusable. If the City elects not to proceed with the rebuilding or repair of the building structure, it shall give notice of its intent within ninety (90) days after the destruction or damage. Tenant may then, at its option, cancel and terminate this Office Space Lease.

### **10.2 COOPERATION IN THE EVENT OF A LOSS**

If the City elects to rebuild, this Office Space Lease shall continue in full force and effect subject to the abatement of rent during the time the damaged or destroyed portions are unusable. City and Tenant shall cooperate with each other in the collection of any insurance proceeds which may be payable in the event of any loss or damage.

### **10.3 LOSS OR DAMAGE TO PROPERTY**

City shall not be liable for any loss of property by theft or burglary from the Airport or for any damage to person or property on the Airport resulting from operating the elevators, or electric lighting, or water, rain or snow, which may come into or issue or flow from any part of the Airport, or from the pipes, plumbing, wiring, gas or sprinklers thereof or that may be caused by the City's employees or any other cause, and Tenant agrees to make no claim for any such loss or damage at any time, except for any abatement of rent or right to insurance proceeds provided for in this Section.

### **10.4 MUTUAL WAIVER/INSURANCE COVERAGE**

City and Tenant each waive any and every claim for recovery from the other for any and all loss of or damage to the Office Space or to the contents thereof, which loss or damage is covered by valid and collectible fire and extended insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Since this mutual waiver will preclude the assignment of any such claim by subrogation or otherwise to an insurance company or any other person, Tenant agrees to give to each insurance company which has issued, or may issue, to the Tenant policies of fire and extended coverage insurance, written notice of the terms of this mutual waiver, and to have such insurance policies properly endorsed, if necessary, to prevent the invalidation of the insurance coverage by reason of this waiver.

## **SECTION XI. MISCELLANEOUS PROVISIONS**

### **11.1 ADVERTISING AND PUBLIC DISPLAYS**

Tenant shall not install or have installed or allow to be installed upon or within the Office

Space, without the prior written approval of the CEO or their authorized representative, any sign, either lighted or unlighted, poster or other display of advertising media, including material supplied by manufacturers of merchandise offered for sale, as well as other types of display specified in the DEN Design Standards. Permission will not be granted for any advertising which fails to comply with DEN Design Standards or DEN Tenant Development Guidelines, or any advertising material, fixture or equipment which extends beyond the Office Space.

## **11.2 AGREEMENT BINDING UPON SUCCESSORS**

This Office Space Lease, subject to the provisions of the Section 11.5 entitled "Assignment," shall be binding upon and extend to the heirs, personal representatives, successors and assigns of the respective parties hereto.

## **11.3 AGREEMENT MADE IN COLORADO**

This Office Space Lease shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Colorado.

## **11.4 OFFICE SPACE LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES**

This Office Space Lease is subject and subordinate to the terms, reservations, restrictions and conditions of any existing or future agreements between the City and the United States, the execution of which has been or may be required as a condition precedent to the transfer of federal rights or property to the City for Airport purposes and the expenditure of federal funds for the development of the Airport or airport system, in accordance with the provisions of the Airport and Airway Improvement Act of 1982, as amended. The Federal Appendices, which are attached hereto as Appendix 1, are incorporated herein by this reference.

## **11.5 ASSIGNMENT**

Tenant shall not assign, pledge or transfer its duties, obligations, and rights under this Lease, in whole or in part, without first obtaining the written consent of the CEO or his/her authorized representative. Any attempt by Tenant to assign or transfer its rights hereunder without such prior written consent shall, at the option of the CEO or his/her authorized representative, automatically terminate this Lease and all rights of Tenant hereunder.

## **11.6 BOND ORDINANCES**

This Office Space Lease is in all respects subject and subordinate to any and all City bond ordinances applicable to the Airport and airport system and to any other bond ordinances which should amend, supplement or replace such bond ordinances. The parties to this Office Space Lease acknowledge and agree that all property subject to this Office Space Lease which was financed by the net proceeds of tax-exempt bonds is owned by the City, and Tenant agrees not to take any action that would impair, or omit to take any action required to confirm, the treatment of such property as

owned by the City for purposes of Section 142(b) of the Internal Revenue Code of 1986, as amended. In particular, the Tenant agrees to make, and hereby makes, an irrevocable election (binding on itself and all successors in interest under this Office Space Lease) not to claim depreciation or an investment credit with respect to any property subject to this Office Space Lease which was financed by the net proceeds of tax-exempt bonds and shall execute such forms and take such other action as the City may request in order to implement such election.

## **11.7 BOOKS OF ACCOUNT AND AUDITING**

A. Bookkeeping System – Tenant agrees to establish and maintain a system of bookkeeping satisfactory to the City Auditor. Such system shall be kept in a manner that distinguishes each location that is operated by Tenant from all other locations operated by Tenant.

B. Records Maintenance - Tenant shall maintain, in accordance with GAAP, accurate books and records in connection with the business conducted by Tenant hereunder. Tenant shall retain such books and records for a period of three (3) years, in accordance with this Office Space Lease and shall make such books and records available for inspection by representatives of the City, including, without limitation, the City's Auditor and independent auditors hired by the City. Such books and records shall include, without limitation, all sales slips, cash register tapes, stand sheets, sales books, bank books or duplicate deposit slips, and all other evidence of total receipts, Gross Receipts, Direct Operating Expenses, Net Operating Profits, Net Operating Losses, Minimum Guaranteed Payments, City Commissions, Monthly Reports, Weekly Reports, Annual Reports, and CCC Business Incentive Fund, Marketing Fund, Additional Expenditures, and Reserve Fund balances (collectively, the "**Financial Records**").

C. Examination of Records – Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access and the right to examine, copy and retain copies, at City's election in paper or electronic form, any pertinent books, documents, papers and records related to Contractor's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. Contractor shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audit pursuant to this paragraph shall require Parties to make disclosures in violation of state or federal privacy laws. Parties shall at all times comply with D.R.M.C. 20-276.

D. Audit Deficiencies - If the City determines after an audit for any Contract Year that any payment(s) made to the City were understated or materially misstated in the Annual Report, Tenant shall pay the amount of the deficiency plus interest two percent 2% per month compounded daily computed from the date due until the date paid. If such payments were understated or materially misstated by more than one percent 1%, Tenant shall pay to the City the cost of the audit in addition to the deficiency and interest. If the City determines after an audit that the City was overpaid, the

City shall have the option to either credit an overpayment against a subsequent amount due or provide a refund to Tenant.

E. Inspection of Records - Tenant agrees that the City, and any of the City's agents including the City's Auditor or an authorized representative of the Auditor, may inspect any document, return, data or report filed pursuant to Chapter 53 of the Denver Revised Municipal Code by Tenant with the City's Manager of Finance and any related reports, document, data or other information generated by the City's Manager of Finance or employees under the control of the Manager of Finance in connection with any investigation or audit of Tenant by the City's Department of Finance. Tenant authorizes and permits the inspection of such documents, data, returns, reports and information by the City and any of its agents, including but not limited to the City's Auditor or an authorized representative of the Auditor, and waives any claim of confidentiality that it may have in connection with such documents, returns, data, reports and information.

F. Required Onsite Records - Tenant shall keep within the location proper, adequate, and accurate accounting books and records prepared in accordance with a bookkeeping system approved in writing by the City documenting all business and transactions engaged in by Tenant pursuant to this Office Space Lease. Such onsite books and records shall include, without limitation, daily receipts and expenses, daily bank deposits, daily sales records, and copies of all business tax returns filed with the State of Colorado and all federal income tax returns.

## **11.8 COLORADO OPEN RECORDS ACT**

A. Tenant acknowledges that the City is subject to the provisions of the Colorado Open Records Act ("CORA"), C.R.S. §§ 24-72-201 et seq., and Tenant agrees that it will fully cooperate with the City in the event of a request or lawsuit arising under such act for the disclosure of any materials or information which Tenant asserts is confidential or otherwise exempt from disclosure. Any other provision of this Agreement notwithstanding, all materials, records, and information provided by Tenant to the City shall be considered confidential by the City only to the extent provided in CORA, and Tenant agrees that any disclosure of information by the City consistent with the provisions of CORA shall result in no liability of the City.

B. In the event of a request to the City for disclosure of such information, time and circumstances permitting, the City will make a good faith effort to advise Tenant of such request in order to give Tenant the opportunity to object to the disclosure of any material Tenant may consider confidential, proprietary, or otherwise exempt from disclosure. In the event Tenant objects to disclosure, the City, in its sole and absolute discretion, may file an application to the Denver District Court for a determination of whether disclosure is required or exempted. In the event a lawsuit to compel disclosure is filed, the City may tender all such material to the court for judicial determination of the issue of disclosure. In both situations, Tenant agrees it will either waive any claim of privilege or confidentiality or intervene in such legal process to protect materials Tenant does not wish disclosed. Tenant agrees to defend, indemnify, and hold harmless the City, its officers, agents, and employees from any claim, damages, expense, loss, or costs arising out of Tenant's objection to disclosure, including prompt reimbursement to the City of all reasonable attorney's fees, costs, and damages the City may incur directly or may be ordered to pay by such court, including but not limited

to time expended by the City Attorney Staff, whose costs shall be computed at the rate of two hundred dollars and no cents (\$200.00) per hour of City Attorney time.

### **11.9 FORCE MAJEURE**

Neither party hereto shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Office Space Lease due to causes beyond the control of that party, including without limitation strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage or any other circumstance for which such party is not responsible or which is not in its power to control, but in no event shall this paragraph be construed so as to allow Tenant to reduce or abate its obligation to pay the rent herein, or any other compensation due hereunder.

### **11.10 INCONVENIENCES DURING CONSTRUCTION**

Tenant recognizes that from time to time during the Term of this Office Space Lease, it may be necessary for City to commence or complete extensive programs of construction, expansion, relocation, maintenance and repair in order that the Airport and its facilities may be completed and operated in accordance with any present or future master layout plan, and that such construction, expansion, relocation, maintenance and repair may inconvenience the Tenant in its operation at the Airport. Tenant agrees that no liability shall attach to City, its officers, agents, employees, contractors, subcontractors and representatives by way of such inconveniences, and Tenant waives any right to claim damages or other consideration therefrom.

### **11.11 MASTER PLAN**

Tenant agrees that no liability shall attach to the City, its officers, agents and employees by reason of any efforts or action toward implementation of any present or future master layout plan for the Airport and waives any right to claim damages or other consideration arising therefrom.

### **11.12 INDEPENDENT CONTRACTOR**

Tenant shall, at all times, have the status of an independent contractor without the right or authority to impose tort or contractual liability upon the City.

## 11.13 NOTICES

All notices required to be given to the City or Tenant hereunder shall be in writing and sent by certified mail, return receipt requested, as follows:

to City: CEO  
Denver International Airport  
Airport Office Building, 9th Floor  
8500 Peña Boulevard  
Denver, CO 80249-6340

with a copy to: Airline Affairs  
Denver International Airport  
Airport Office Building, 8<sup>th</sup> Floor  
8500 Peña Boulevard  
Denver, CO 80249-6340

to Tenant: Smiths Detection, Inc.  
2202 Lakeside Blvd  
Edgewood, MD 21040  
Attention: Uyen Nguyen  
Email: [uyen.nguyen@smiths-detection.com](mailto:uyen.nguyen@smiths-detection.com)

Either party hereto may designate in writing from time to time the address of substitute or supplementary persons within the State of Colorado to receive such notices. The effective date of service of any such notice shall be the date such notice is mailed or delivered to Tenant or CEO.

## 11.14 PARAGRAPH HEADINGS

The paragraph headings herein are for convenience in reference only and are not intended to define or limit the scope of any provision of this Office Space Lease.

## 11.15 PATENTS AND TRADEMARKS

Tenant represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under this Office Space Lease. Tenant agrees to save and hold harmless the City, its officers, employees, agents and representatives from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright arising from any alleged or actual unfair competition or other similar claim arising out of the operations of Tenant under this Office Space Lease.

## **11.16 SENSITIVE SECURITY INFORMATION**

Tenant acknowledges that, in the course of performing its work under this Agreement, Tenant may be given access to Sensitive Security Information (“SSI”), as material is described in the Code of Federal Regulations, 49 C.F.R. Part 1520. Tenant specifically agrees to comply with all requirements of the applicable federal regulations, including but not limited to, 49 C.F.R. Parts 15 and 1520. Tenant understands any questions it may have regarding its obligations with respect to SSI must be referred to the DEN’s Security Office.

Tenant shall cause its officers, contractors, agents and employees to comply with any and all existing and future security regulations adopted by the City or the Transportation Security Administration (“TSA”), including 49 C.F.R. Subtitle B, Chapter XII, as amended from time to time.

## **11.17 SECURITY**

A. Tenant, its officers, authorized officials, employees, agents, subcontractors, and those under its control, shall comply with safety, operational, or security measures required of Tenant or the City by the FAA or TSA. If Tenant, its officers, authorized officials, employees, agents, subcontractors or those under its control, fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against the City, then, in addition to any other remedies available to the City, Tenant shall fully reimburse the City any fines or penalties levied against the City, and any attorney fees or related costs paid by the City as a result of any such violation. Tenant must pay this amount within fifteen (15) days from the date of the invoice or written notice. Any fines and fees assessed by the FAA or TSA against the City due to the actions of Tenant and/or its agents will be deducted directly from the invoice for that billing period.

B. Tenant is responsible for compliance with Airport Security regulations and 49 C.F.R. Parts 1542 (Airport Security) and 14 C.F.R. Parts 139 (Airport Certification and Operations). Any and all violations pertaining to Parts 1542 and 139 resulting in a fine will be passed on to and borne by Tenant. The fee/fine will be deducted from the invoice at time of billing.

## **11.18 SEVERABILITY**

In the event, any of the provisions, or applications thereof, of this Office Space Lease are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or applications thereof, shall not be affected.

## **11.19 SURVIVAL OF PROVISIONS**

All terms and conditions of this Office Space Lease which, by reasonable implication, contemplate continued performance or compliance beyond the termination of this Office Space Lease (by expiration of the term or otherwise) shall survive such termination and continue to be enforceable as provided herein.

## **11.20 THIRD PARTIES**

This Office Space Lease shall not be deemed or construed to confer upon any third party or parties (except parties to whom the Tenant may assign this Office Space Lease in accordance with the terms hereof, and except any successor to the City) any right to claim damages or to bring any action or proceeding against either the City or the Tenant because of any breach hereof or because of any of the terms, covenants, agreements and conditions herein.

## **11.21 USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS**

Tenant, its officers, agents and employees shall cooperate and comply with the provisions of the Federal Drug-Free Workplace Act of 1988 and Denver Executive Order No. 94, or any successor thereto, concerning the use, possession or sale of alcohol or drugs. Tenant shall also prohibit consumption of alcohol within the Office Space. Violation of these provisions or refusal to cooperate with implementation of the policy can result in the City's barring Tenant from City facilities or participating in City operations.

## **11.22 CITY SMOKING POLICY**

Tenant and its officers, agents and employees shall cooperate and comply with the provisions of Denver Revised Municipal Code Sec. 24-301, et. seq. prohibiting smoking in City buildings and facilities, the City's Executive Order No. 99 dated December 1, 1993 and Executive Order No. 13 dated July 31, 2002 prohibiting the sale or advertising of tobacco products, the provisions of Denver Revised Municipal Code §§ 24-301 et. seq. and the Colorado Indoor Clean Air Act, C.R.S. §§ 25-14-201 et. seq. Tenant agrees that it will prohibit smoking by its employees and the public in the Office Space and will not sell or advertise tobacco products.

## **11.23 NONDISCRIMINATION**

In connection with the performance of work under this Office Space Lease, Tenant agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, military status, sexual orientation, marital status, gender expression, source of income, protective hairstyle, or disability; and Tenant further agrees to insert the foregoing provision in all subcontracts hereunder.

## **11.24 COMPLIANCE WITH DENVER WAGE LAWS**

To the extent applicable to the Tenant's provisions of the Lease hereunder, the Tenant shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City's Minimum Wage and Civil Wage Theft Ordinances, Section 58-1 through 58-26 D.R.M.C., including but not limited to, the requirement that every covered worker shall be paid all earned wages under the applicable state, federal, and city law in accordance with the foregoing D.R.M.C. Sections. By executing this Agreement, the Tenant expressly acknowledges that the Tenant is aware of the requirements of the City's Minimum Wage and Civil; Wage Theft

Ordinances and that any failure by the Tenant, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.

#### **11.25 ENTIRE AGREEMENT**

The parties agree that the provisions herein constitute the entire agreement and that all representations made by any officer, agent or employee of the respective parties unless included herein are null and void and of no effect. No amendments, unless expressly reserved to the CEO herein, shall be valid unless executed by an instrument in writing by all the parties with the same formality as this Office Space Lease.

#### **11.26 FINAL APPROVAL**

This Office Space Lease is expressly subject to and shall not be or become effective or binding on the City until fully executed by all signatories of the City and County of Denver.

**[SIGNATURE PAGE, APPENDIX AND EXHIBITS FOLLOW]**

**Contract Control Number:** PLANE-202579408-00  
**Contractor Name:** SMITHS DETECTION INC.

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

---

**APPROVED AS TO FORM:**

Attorney for the City and County of Denver

By:

---

**REGISTERED AND COUNTERSIGNED:**

By:

---

By:

---

**Contract Control Number:** PLANE-202579408-00  
**Contractor Name:** SMITHS DETECTION INC.

Signed by:  
By:   
BD6845CA06AF4E4...

Name: Raymond Roberge  
(please print)

Title: VP Service Operations, Installation & Delivery  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

## **APPENDIX 1**

### **COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS**

NOTE: As used below the term "Contractor" shall mean and include Tenant, and the term "sponsor" shall mean the "City."

During the term of this Contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

**1. Compliance with Regulations.** The Contractor will comply with the Title VI List of Pertinent Non-Discrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.

**2. Nondiscrimination.** The Contractor, with regard to the work performed by it during this Agreement, will not discriminate on the grounds of race, creed, color, national origin, or sex in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

**3. Solicitations for Subcontractors, Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation, made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor's obligations under this Agreement and the Acts and Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

**4. Information and Reports.** The Contractor will provide all information and reports required by the Acts, Regulations, or directives issued pursuant thereto and will permit access to its books, records, accounts other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the sponsor or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

**5. Sanctions for Noncompliance.** In the event of a Contractor's noncompliance with the nondiscrimination provisions of this Agreement, the sponsor will impose such Contract sanctions as it or the FAA may determine to be appropriate including, but not limited to:

- a. Withholding of payments to the Contractor under this Agreement until the Contractor complies; and/or
- b. Cancelling, terminating, or suspending this Agreement, in whole or in part.

**6. Incorporation of Provisions.** The Contractor will include the provisions of paragraphs one (1) through six (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations or directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor

may request the sponsor to enter into such litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### GENERAL CIVIL RIGHTS PROVISIONS

The Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Tenant transfers its obligation to another, the transferee is obligated in the same manner as the Tenant. This provision obligates the Tenant for the period during which the property is owned, used or possessed by the Tenant and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

**STANDARD FEDERAL ASSURANCES AND NONDISCRIMINATION IN CONSTRUCTION,  
MAINTENANCE, OPERATION OF FACILITIES**

As used below, the term "sponsor" will mean City.

Tenant, for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as part of consideration hereof, does hereby covenant and agree, as a covenant running with the land that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a FAA activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities, as may be amended from time to time, such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
2. With respect to this Agreement, in the event of breach of any of the above Nondiscrimination covenants, sponsor will have the right to terminate this Agreement, and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Agreement had never been made or issued.

**STANDARD FEDERAL ASSURANCES AND NONDISCRIMINATION IN CONSTRUCTION, USE, OR  
ACCESS TO FACILITIES**

As used below, the term "sponsor" will mean City.

- A. Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant will use the Premises in compliance with all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Authorities.
- B. With respect this Agreement, in the event of breach of any of the above nondiscrimination covenants, sponsor will have the right to terminate this Agreement and to enter, re-enter, and repossess said land and the facilities thereon, and hold the same as if this Agreement had never been made or issued.

## TITLE VI LIST OF PERTINENT NONDISCRIMINATION AUTHORITIES

As used below, the term "Contractor" will mean and include Tenant and the term "sponsor" will mean City.

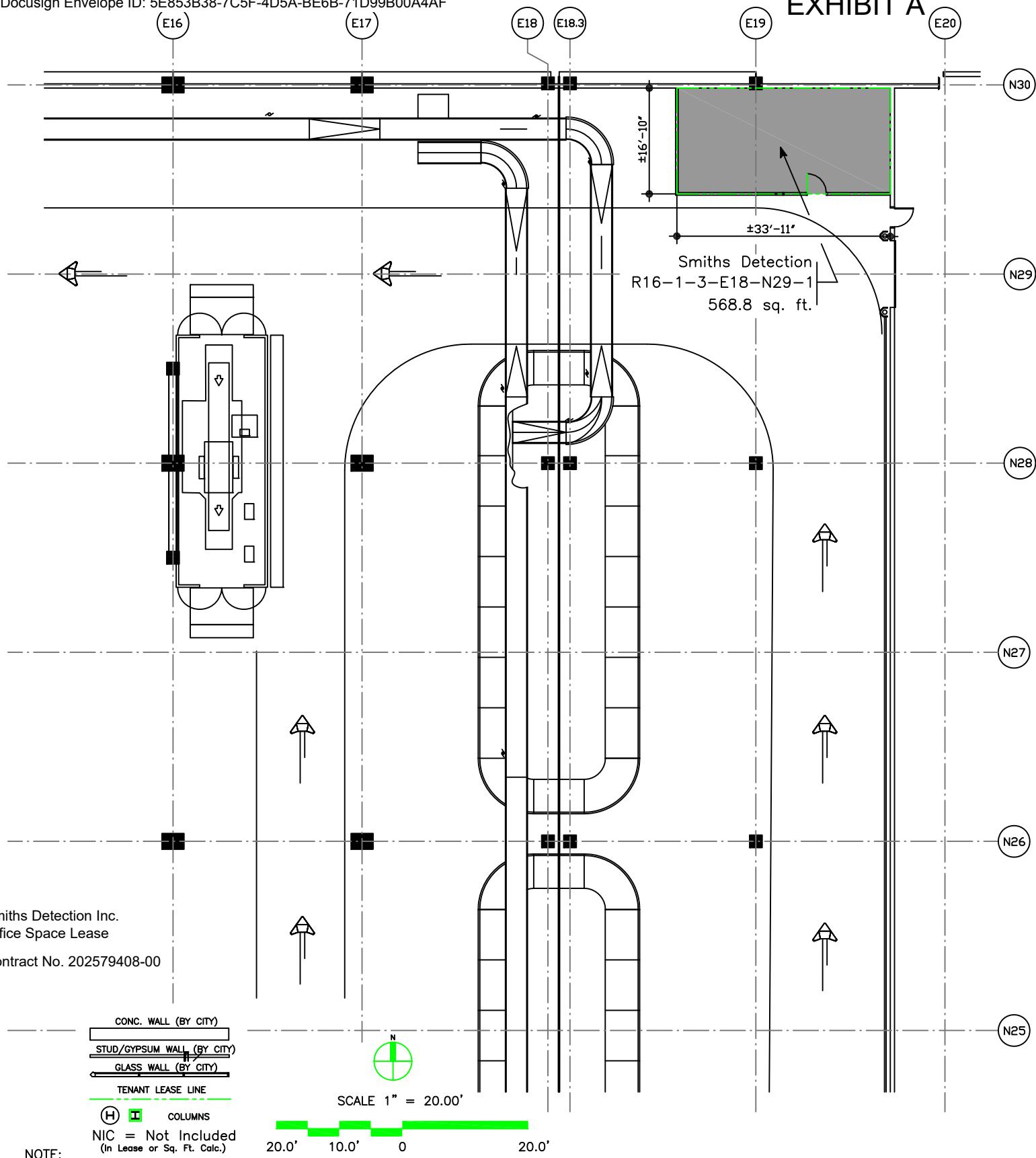
During the performance of this Agreement, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

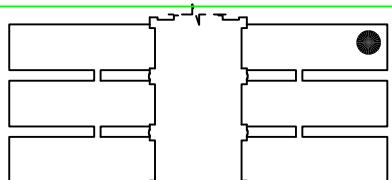
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits' discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601 ), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S. C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC§ 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 1 00-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 -12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S. C. 1681 et seq).

Smiths Detection Inc.  
Office Space Lease  
Contract No. 202579408-00

## EXHIBIT A



		KEY PLAN TERMINAL AREA	REVISED	DENVER INTERNATIONAL AIRPORT		
				EXHIBIT A		
Terminal Level 3		Smiths Detection		CC#: smd		
				DATE: 03/18/19		

## **EXHIBIT B**

### **CITY AND COUNTY OF DENVER INSURANCE REQUIREMENTS FOR DEPARTMENT OF AVIATION SUPPORT/STORAGE/OFFICE SPACE AGREEMENT**

#### **A. Certificate Holder and Submission Instructions**

Contractor must provide a Certificate of Insurance as follows:

Certificate Holder: CITY AND COUNTY OF DENVER  
Denver International Airport  
8500 Peña Boulevard  
Denver CO 80249  
Attn/Submit to: [DENCOI@flydenver.com](mailto:DENCOI@flydenver.com)

- ACORD Form (or equivalent) certificate is required.
- Contractor must be evidenced as a Named Insured party.
- Electronic submission only, hard copy documents will not be accepted.
- Reference on the certificate must include the City-assigned Contract Number, if applicable.

The City may at any time modify submission requirements, including the use of third-party software and/or services, which may include an additional fee to the Contractor.

#### **B. Defined Terms**

1. “Agreement” as used in this exhibit refers to the contractual agreement to which this exhibit is attached, irrespective of any other title or name it may otherwise have. b
2. “Contractor” as used in this exhibit refers to the party contracting with the City and County of Denver pursuant to the attached Agreement.

#### **C. Coverages and Limits**

##### **1. Commercial General Liability or Aviation Liability Insurance**

Contractor shall maintain insurance coverage including bodily injury, property damage, personal injury, advertising injury, independent contractors, and products and completed operations in minimum limits of \$1,000,000 each occurrence, \$2,000,000 products and completed operations aggregate; if policy contains a general aggregate, a minimum limit of \$2,000,000 annual per policy aggregate must be maintained.

- a. Coverage shall include Contractual Liability covering liability assumed under this Agreement (including defense costs assumed under contract) within the scope of coverages provided.
- b. Coverage shall include Mobile Equipment Liability, if used to perform services under this Agreement.
- c. Coverage shall include Fire Legal Liability in the minimum amount of \$100,000 each fire.

##### **2. Business Automobile Liability**

Contractor shall maintain a minimum limit of \$1,000,000 combined single limit each occurrence for bodily injury and property damage for all owned, leased, hired and/or non-owned vehicles used in performing services under this Agreement.

- a. If operating vehicles unescorted airside at DEN, a \$10,000,000 combined single limit each occurrence for bodily injury and property damage is required.
- b. If Contractor does not have blanket coverage on all owned and operated vehicles and will require unescorted airside driving privileges, then a schedule of insured vehicles (including year, make, model and VIN number) must be submitted with the Certificate of Insurance.
- c. If transporting waste, hazardous material, or regulated substances, Contractor shall carry a Broadened

Pollution Endorsement and an MCS 90 endorsement on its policy.

- d. If Contractor does not own any fleet vehicles and/or Contractor's owners, officers, directors, and/or employees use their personal vehicles to perform services under this Agreement, Contractor shall ensure that Personal Automobile Liability including a Business Use Endorsement is maintained by the vehicle owner, and if appropriate, Non-Owned Auto Liability by the Contractor. This provision does not apply to persons solely commuting to and from the airport.
- e. If Contractor will be completing all services to DEN under this Agreement remotely and not be driving to locations under direction of the City to perform services this requirement is waived.

3. **Workers' Compensation and Employer's Liability Insurance**  
Contractor shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits no less than \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

- a. Colorado Workers' Compensation Act allows for certain, limited exemptions from Worker's Compensation insurance coverage requirements. It is the sole responsibility of the Contractor to determine their eligibility for providing this coverage, executing all required documentation with the State of Colorado, and obtaining all necessary approvals. Verification document(s) evidencing exemption status must be submitted with the Certificate of Insurance.

4. **Property Insurance**  
Contractor is solely responsible for any loss or damage to its real or business personal property located on DEN premises including, but not limited to, materials, tools, equipment, vehicles, furnishings, structures and personal property of its employees and subcontractors unless caused by the sole, gross negligence of the City. If Contractor carries property insurance on its property located on DEN premises, a waiver of subrogation as outlined in Section F will be required from its insurer.

5. **Property Insurance – Contractor Improvements and Betterments**  
Contractor shall maintain All-Risk Form Property Insurance on a replacement cost basis. If leased property is located in a flood or earthquake zone (including land subsidence), flood and/or earthquake insurance shall be provided separately or within the property policy.

- a. City shall be included as First Loss Payee, as its interests may appear.
- b. The City and County of Denver shall maintain All-Risk Form Property Insurance coverage for the real property occupied by Contractor.

6. **Installation Floater:**  
Contractor shall provide coverage with a limit equal to the full insurable value of materials and equipment and be written on a Special Covered Cause of Loss Form including theft, faulty workmanship, mechanical or electrical damage during testing and labor costs to repair damaged work, and soft costs. The policy shall cover property while located at the project site, at temporary locations, or in transit; and name the City as the loss payee on the policy, as its interests may appear. Coverage shall remain in force until acceptance of the work by the City.

7. **Excess/Umbrella Liability**  
Combination of primary and excess coverage may be used to achieve minimum required coverage limits. Excess/Umbrella policy(ies) must follow form of the primary policies with which they are related to provide the minimum limits and be verified as such on any submitted Certificate of Insurance.

#### **D. Reference to Project and/or Contract**

The City Project Name, Title of Agreement and/or Contract Number and description shall be noted on the Certificate of Insurance, if applicable.

#### **E. Additional Insured**

For all coverages required under this Agreement (excluding Workers' Compensation, Employer's Liability and Professional Liability, if required), Contractor's insurer(s) shall include the City and County of Denver, its elected and appointed officials, successors, agents, employees, and volunteers as Additional Insureds by policy endorsement.

#### **F. Waiver of Subrogation**

For all coverages required under this Agreement (excluding Professional Liability, if required), Contractor's insurer(s) shall waive subrogation rights against the City and County of Denver, its elected and appointed officials, successors, agents, employees, and volunteers by policy endorsement.

If Contractor will be completing all services to the City under this Agreement remotely and not be traveling to locations under direction of the City to perform services, this requirement is waived specific to Workers' Compensation coverage.

If Contractor and its employees performing services under this Agreement are domiciled in a monopolistic state this requirement shall not apply to Workers' Compensation policy(ies) issued by a state fund. However, Contractor understands any subrogation against the City from its state-funded Workers' Compensation insurer arising from a claim related to this Agreement shall become the responsibility of the Contractor under Section 14.01 Defense and Indemnification of this Agreement subject to the terms, conditions and limitations therein.

#### **G. Notice of Material Change, Cancellation or Nonrenewal**

Each certificate and related policy shall contain a valid provision requiring notification to the Certificate Holder in the event any of the required policies be canceled or non-renewed or reduction in required coverage before the expiration date thereof.

1. Such notice shall reference the DEN assigned contract number related to this Agreement.
2. Such notice shall be sent thirty (30) calendar days prior to such cancellation or non-renewal or reduction in required coverage unless due to non-payment of premiums for which notice shall be sent ten (10) calendar days prior.
3. If such written notice is unavailable from the insurer or afforded as outlined above, Contractor shall provide written notice of cancellation, non-renewal and any reduction in required coverage to the Certificate Holder within three (3) business days of receiving such notice by its insurer(s) and include documentation of the formal notice received from its insurer(s) as verification. Contractor shall replace cancelled or nonrenewed policies with no lapse in coverage and provide an updated Certificate of Insurance to DEN.
4. In the event any general aggregate or other aggregate limits are reduced below the required minimum per occurrence limits, Contractor will procure, at its own expense, coverage at the requirement minimum per occurrence limits. If Contractor cannot replenish coverage within ten (10) calendar days, it must notify the City immediately.

#### **H. Cooperation**

Contractor agrees to fully cooperate in connection with any investigation or inquiry and accept any formally tendered claim related to this Agreement, whether received from the City or its representative. Contractor's failure to fully cooperate may, as determined in the City's sole discretion, provide cause for default under the Agreement. The City understands acceptance of a tendered claim does not constitute acceptance of liability.

#### **I. Additional Provisions**

1. Deductibles or any type of retention are the sole responsibility of the Contractor.
2. Defense costs shall be in addition to the limits of liability. If this provision is unavailable that limitation must be evidenced on the Certificate of Insurance.
3. Coverage required may not contain an exclusion related to operations on airport premises.
4. A severability of interests or separation of insureds provision (no insured vs. insured exclusion) is included under all policies where Additional Insured status is required.
5. A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City under all policies where Additional Insured status is required.
6. If the Contractor procures or maintains insurance policies with coverages or limits beyond those stated herein,

such greater policies will apply to their full effect and not be reduced or limited by the minimum requirements stated herein.

7. All policies shall be written on an occurrence form. If an occurrence form is unavailable or not industry norm for a given policy type, claims-made coverage will be accepted by the City provided the retroactive date is on or before the Agreement Effective Date or the first date when any goods or services were provided to the City, whichever is earlier, and continuous coverage will be maintained or an extended reporting period placed for three years (eight years for construction-related agreements) beginning at the time work under this Agreement is completed or the Agreement is terminated, whichever is later.
8. Certificates of Insurance must specify the issuing companies, policy numbers and policy periods for each required form of coverage. The certificates for each insurance policy are to be signed by an authorized representative and must be submitted to the City at the time Contractor signed this Agreement.
9. The insurance shall be underwritten by an insurer licensed or authorized to do business in the State of Colorado and rated by A.M. Best Company as A- VIII or better.
10. Certificate of Insurance and Related Endorsements: The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements shall not act as a waiver of Contractor's breach of this Agreement or of any of the City's rights or remedies under this Agreement. All coverage requirements shall be enforced unless waived or otherwise modified in writing by DEN Risk Management. Contractor is solely responsible for ensuring all formal policy endorsements are issued by their insurers to support the requirements.
11. The City shall have the right to verify, at any time, all coverage, information, or representations, and the insured and its insurance representatives shall promptly and fully cooperate in any such audit the City may elect to undertake including provision of copies of insurance policies upon request. In the case of such audit, the City may be subject to a non-disclosure agreement and/or redactions of policy information unrelated to verification of required coverage.
12. No material changes, modifications, or interlineations to required insurance coverage shall be allowed without the review and written approval of DEN Risk Management.
13. Contractor shall be responsible for ensuring the City is provided updated Certificate(s) of Insurance prior to each policy renewal.
14. Contractor's failure to maintain required insurance shall be the basis for immediate suspension and cause for termination of this Agreement, at the City's sole discretion and without penalty to the City.

**J. Part 230 and the DEN Airport Rules and Regulations**

If the minimum insurance requirements set forth herein differ from the equivalent types of insurance requirements in Part 230 of the DEN Airport Rules and Regulations, the greater and broader insurance requirements shall supersede those lesser requirements, unless expressly excepted in writing by DEN Risk Management. Part 230 applies to Contractor and its subcontractors of any tier.