OFFICE SPACE LEASE
between
CITY AND COUNTY OF DENVER
CITTAIND COOKIT OF DERVER
and
SMITHS DETECTION INC.
at
DENVER INTERNATIONAL AIRPORT

## **Table of Contents**

SECTIO	ON 1 - GENERAL	1
1.01	CONSIDERATION	1
SECTIO	ON 2 – DEFINITIONS	1
2.01	AIRPORT	1
2.02	AUDITOR	
2.03	CHIEF EXECUTIVE OFFICER	1
2.04	CEO'S AUTHORIZED REPRESENTATIVE	1
2.05	COMPANION AGREEMENT	2
2.06	CONCOURSES	
2.07	DEN DESIGN STANDARDS	2
2.08	DEN TENANT DEVELOPMENT GUIDELINES	2
2.09	PAST DUE INTEREST RATE	2
2.10	OFFICE SPACE	2
2.11	TERMINAL	2
SECTIO	ON 3 - LEASE OF OFFICE SPACE	2
3.01	OFFICE RIGHTS GRANTED	2
3.02	USE OF OFFICE SPACE	3
3.03	MEANS OF ACCESS	
3.04	RIGHT OF INSPECTION	3
SECTIO	ON 4 – TERM	3
4.01	TERM	3
4.02	SURRENDER OF OFFICE SPACE	4
4.03	HOLDING OVER	4
SECTIO	ON 5 – RENT	4
5.01	RENT	
5.02	PAYMENT OF MONTHLY RENT	4
5.03	INTEREST ON PAST DUE AMOUNTS	4
5.04	PLACE AND MANNER OF PAYMENTS	4
5.05	REESTABLISHMENT OF RENTALS, FEES AND CHARGES	5
SECTIO	ON 6 - USE OF OFFICE SPACE	5
6.01	CARE OF AREA	
6.02	VENDING MACHINES	
6.03	COMPLIANCE WITH ALL LAWS AND REGULATIONS	
6.04	COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS	6
6.05	WASTE OR IMPAIRMENT OF VALUE	
6.06	HAZARDOUS USE	
6.07	STRUCTURAL OR ELECTRICAL OVERLOADING	
6.08	NOISE, ODORS, VIBRATIONS AND ANNOYANCES	8
6.09	ACCESSIBILITY	
6.10	NO AUCTION	
6.11	CONSTRUCTION OF IMPROVEMENTS/RESTRICTION ON CHANGES	8
6.12	TITLE TO IMPROVEMENTS	
6.13	REMOVAL OF TENANT'S FOUIPMENT	9

SECTIO	N 7 - UTILITIES AND SERVICES	. 9
7.01	HEATING AND AIR CONDITIONING (HVAC)	. 9
7.02	ELECTRICITY	. 9
7.03	WATER SERVICE	. 9
7.04	LIGHTING	10
7.05	JANITORIAL SERVICES AND MAINTENANCE	10
7.06	STRUCTURAL MAINTENANCE	10
7.07	COMMON USE SERVICES	
7.08	INTERRUPTION OF SERVICES	
SECTIO	N 8 - INDEMNITY, INSURANCE AND BONDS	10
8.01	INDEMNITY	10
8.02	INSURANCE	
8.03	PERFORMANCE SURETY	12
8.04	NO PERSONAL LIABILITY	
8.05	TAXES, LICENSES, LIENS AND FEES	
SECTIO	N 9 - DEFAULT AND REMEDIES	
9.01	DEFAULT	
9.02	REMEDIES	
9.03	REMEDIES CUMULATIVE	
9.04	ADMINISTRATIVE HEARING	-
9.05	WAIVERS	
	N 10 - DAMAGE, DESTRUCTION OR LOSS	
10.01	DAMAGE TO OR DESTRUCTION OF OFFICE SPACE	
10.02	COOPERATION IN THE EVENT OF LOSS	
10.03	LOSS OR DAMAGE TO PROPERTY	
10.04	MUTUAL WAIVER/INSURANCE COVERAGE	
	N 11 - MISCELLANEOUS PROVISIONS	
11.01	ADVERTISING AND PUBLIC DISPLAYS	
11.02	AGREEMENT BINDING UPON SUCCESSORS	
11.03	AGREEMENT MADE IN COLORADO	-
11.04	OFFICE SPACE LEASE SUBORDINATE TO AGREEMENTS WITH UNITE	
3.7.3.	STATES	
11.05	ASSIGNMENT	
11.06	BOND ORDINANCES	
11.07	FORCE MAJEURE	
11.08	INCONVENIENCES DURING CONSTRUCTION	
11.09	MASTER PLAN	
11.10	INDEPENDENT CONTRACTOR	
11.11	NOTICES	
11.12	PARAGRAPH HEADINGS	
11.13	PATENTS AND TRADEMARKS	
11.14	SECURITY	
11.15	SEVERABILITY	
11.16	SURVIVAL OF PROVISIONS	
11.17	THIRD PARTIES	19

11.18	USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS	19
11.19	CITY SMOKING POLICY	19
11.20	NONDISCRIMINATION	20
11.21	ENTIRE AGREEMENT	20
11.22	FINAL APPROVAL	20
11.23	PAYMENT OF MINIMUM WAGE	20

#### OFFICE SPACE LEASE

THIS OFFICE SPACE LEASE, ("Office Space 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 the Department of Aviation (the "City"), and SMITHS DETECTION INC., a Nevada corporation authorized to do business in the State of Colorado ("Tenant").

#### 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 the Transportation Security Administration ("TSA"); and

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

**NOW THEREFORE**, for and in consideration of the premises and other good and valuable consideration, the Parties hereto agree as follows:

#### **SECTION 1 - GENERAL**

#### 1.01 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.

#### **SECTION 2 – DEFINITIONS**

#### 2.01 AIRPORT

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

#### 2.02 AUDITOR

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

#### 2.03 CHIEF EXECUTIVE OFFICER

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

#### 2.04 CEO'S AUTHORIZED REPRESENTATIVE

Whenever reference is made herein to "CEO or her authorized representative", or words of similar

import are used, the Senior Vice President of Airline and Commercial Affairs shall be such authorized representative of the CEO, unless notice otherwise is given to the Tenant by the CEO.

### 2.05 COMPANION AGREEMENT

"Companion Agreement" shall mean the concession, lease or license agreement(s) between the parties for which this office will support, and shall include the plural where applicable.

#### 2.06 CONCOURSES

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

#### 2.07 DEN DESIGN STANDARDS

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

#### 2.08 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.

#### 2.09 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. City and Tenant acknowledge and agree that the dimensions 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. In order to maximize the highest and best use of the City's airline facilities, the CEO, at her sole discretion and upon thirty (30) days prior written notice, may require Tenant, and Tenant agrees, to relocate its Office Space, at its own cost and expense, in which case, the CEO will revise the Exhibit A without formal amendment to this Office Space Lease.

#### 2.11 TERMINAL

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

#### **SECTION 3 - LEASE OF OFFICE SPACE**

#### 3.01 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.

## 3.02 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.

## 3.03 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 Engineering.
- 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.

## 3.04 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 4 – TERM**

#### 4.01 TERM

"Term" shall mean the period commencing on the Effective Date and ending on December 31, 2023 (the "Expiration Date"). The Agreement term may be extended at its current terms and conditions for two (2) additional one-year periods, but in no event shall the term be extended beyond December 31, 2025. 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. The "Effective Date" of this Agreement shall be the date of final City signatures to this Agreement, as indicated on the City signature page hereto.

#### 4.02 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.

#### 4.03 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 her 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 5 – RENT**

#### **5.01 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.

### 5.02 PAYMENT OF MONTHLY RENT

The Annual Rent shall be payable by Tenant to City in twelve equal installments (the "Monthly Rent") in advance and without demand on the Effective 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.

#### 5.03 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.

## 5.04 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 her 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.

## 5.05 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, reestablish the rentals, fees and charges provided for 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 6 - USE OF OFFICE SPACE**

## 6.01 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.

#### 6.02 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 her 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.

#### 6.03 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 current or future 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 applicable current and future 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 her authorized representative shall 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.

## 6.04 COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

- A. Tenant, in conducting any activity on the Office Space, shall comply with all 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.

## 6.05 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.

## 6.06 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.

#### 6.07 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.

## 6.08 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.

#### 6.09 ACCESSIBILITY

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.

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

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.

Tenant shall, unless otherwise instructed, complete its design, obtain building permits and complete construction no later than 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.

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.

## **SECTION 7 - UTILITIES AND SERVICES**

## 7.01 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.

## 7.02 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 30 days and shall accrue interest at the Past Due Interest Rate if not paid when due.

#### 7.03 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.

## 7.04 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.

## 7.05 JANITORIAL SERVICES AND MAINTENANCE

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

#### 7.06 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.

#### 7.07 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.

#### 7.08 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 8 - INDEMNITY, INSURANCE AND BONDS**

#### 8.01 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 Agreement

("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 Agreement 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 Agreement.

#### 8.02 INSURANCE

- A. The Tenant shall obtain and keep in force during the entire term of this Office Space Lease, insurance policies as described in the City's form of insurance certificate attached to this Office Space Lease as Exhibit B and incorporated herein. The certificate specifies the minimum insurance requirements the Tenant and subcontractors must meet under this Office Space Lease. Such amounts may be adjusted by the CEO in his sole discretion at any time during the term of this Office Space Lease. The original of such certificate shall be executed by the authorized party as specified on the certificate.
- B. Prior to the Effective Date, the Tenant shall submit to the Airport Property Management Office a fully completed and executed original of the insurance certificate form, which specifies the issuing company or companies, policy numbers and policy periods for each required coverage. In addition to the completed and executed certificate, the Tenant shall submit a copy of a letter from each company issuing a policy identified on the certificate, confirming the authority of the broker or agent to bind the issuing company. The Tenant shall deliver to the Airport Property Office a certificate evidencing the renewal of all policies, at least ten days prior to each policy's expiration

date.

- C. The City's acceptance of any submitted insurance certificate is subject to the approval of the City's Risk Management Administrator. All coverage requirements specified in the certificate shall be enforced unless waived or otherwise modified in writing by the City's Risk Management Administrator.
- D. The Tenant shall comply with all conditions and requirements set forth in the insurance certificate for each required coverage during all periods in which coverage is in effect.
- E. Unless specifically excepted in writing by the City's Risk Management Administrator, the Tenant shall include all subcontractors performing services hereunder as insureds under each required policy or shall furnish a separate certificate (on the form certificate provided), with authorization letter(s) and receipts of payment of premium, for each subconsultant. All coverages for subcontractors shall be subject to all of the requirements set forth in the form certificate and the Tenant shall insure that each subconsultant complies with all of the coverage requirements.
- F. The parties hereto understand and agree that the City and County of Denver, its officers, officials and employees, are relying on, and do not waive or intend to waive by any provisions of this Office Space Lease, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., or otherwise available to the City and County of Denver, its officers, officials and employees.

#### 8.03 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.

## 8.04 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.

## 8.05 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 9 - DEFAULT AND REMEDIES**

#### 9.01 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 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 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 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.

#### 9.02 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 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 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 of the 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 D. below.
- C. 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.
- D. 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.
- E. 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.

#### 9.03 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.

#### 9.04 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.

#### 9.05 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 10 - DAMAGE, DESTRUCTION OR LOSS**

#### 10.01 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 90 days after the destruction or damage. Tenant may then, at its option, cancel and terminate this Office Space Lease.

#### 10.02 COOPERATION IN THE EVENT OF 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.

#### 10.03 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.

#### 10.04 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 11 - MISCELLANEOUS PROVISIONS**

#### 11.01 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 her 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.

#### 11.02 AGREEMENT BINDING UPON SUCCESSORS

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

#### 11.03 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.

## 11.04 OFFICE SPACE LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES

This Lease is subject and subordinate to the provisions of any agreement heretofore or hereafter made between the City and the United States, as outlined in Appendix 1 and 2, the execution of which is required to enable or permit the transfer of rights or property to the City for airport purposes, or the expenditure of federal grant funds for Airport improvement, maintenance or development. Tenant shall reasonably abide by the requirements of agreements entered into between the City and the United States, and shall consent to amendments and modifications of this Lease if required by such agreements or if required as a condition of the City's entry into such agreements.

#### 11.05 ASSIGNMENT

Any assignment of this Lease must be approved in writing by the CEO prior to its execution.

#### 11.06 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.

#### 11.07 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.

#### 11.08 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.

#### 11.09 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

#### 11.10 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.

#### 11.11 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: Chief Executive Officer

Department of Aviation Denver International Airport Airport Office Building, 9th Floor

8500 Peña Boulevard Denver, CO 80249-6340

with a copy to: Chief Financial Officer

Department of Aviation Denver International Airport Airport Office Building, 9th Floor

8500 Peña Boulevard Denver, CO 80249-6340

to Tenant: Uyen Nguyen

Smiths Detection Inc. 7151 Gateway Blvd Newark, California 94560

with a copy to: Smiths Detection Inc.

Legal Department 2202 Lakeside Blvd. Edgewood, MD 21040

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

#### 11.12 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.

#### 11.13 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.

#### 11.14 SECURITY

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 CFR Subtitle B, Chapter XII, as amended from time to time.

#### 11.15 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.

#### 11.16 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.

#### 11.17 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.

#### 11.18 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.

#### 11.19 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.

#### 11.20 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, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and Tenant further agrees to insert the foregoing provision in all subcontracts hereunder.

#### 11.21 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.

#### 11.22 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.

#### 11.23 PAYMENT OF MINIMUM WAGE

Tenant shall comply with, and agrees to be bound by, all requirements, conditions, and City determinations regarding the City's Minimum Wage Ordinance, Sections 20-82 through 20-84 D.R.M.C., including, but not limited to, the requirement that every covered worker shall be paid no less than the City Minimum Wage in accordance with the foregoing D.R.MC. Sections. By executing this Agreement, Tenant expressly acknowledges that Tenant is aware of the requirements of the City's Minimum Wage Ordinance and that any failure by 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.

## [SIGNATURE PAGE FOLLOWS]

<b>Contractor Name:</b>	Smiths Detection Inc.
IN WITNESS WHEREOF, the part Denver, Colorado as of:	ties have set their hands and affixed their seals at
SEAL	CITY AND COUNTY OF DENVER:
ATTEST:	By:
APPROVED AS TO FORM:	REGISTERED AND COUNTERSIGNED:
Attorney for the City and County of I  By:	Denver By:
	By:

PLANE-202054247-00

**Contract Control Number:** 

<b>Contract Control Number:</b>	
<b>Contractor Name:</b>	

PLANE-202054247-00 Smiths Detection Inc.

Ву:	See Attached
	V Ch.
Name	: Karen Sterner (please print)
Title:	Director of Contracts (please print)
	(please print)
ATTE	ST: [if required]
By:	
_	
Name	
	(please print)
Title:	
	(please print)

## Contract Control Number: Contractor Name:

## PLANE-202054247-00 Smiths Detection Inc.

By:	Docusigned by:  Karen Sterner  4086F6436811456
Name:	Karen Sterner
	(please print)
Title:	Director of Contracts (please print)
-	(please print)
ATTE	ST: [if required]
Ву:	
Name:	
	(please print)
Title:	
_	(please print)

#### APPENDIX NO. A

#### STANDARD FEDERAL ASSURANCES AND NONDISCRIMINATION

NOTE: As used below the term "contractor" shall mean and include the Consultant, 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 shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, creed, color, sex, national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 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 shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- 4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall 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 Regulations, orders, 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 of the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall 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 the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.
- 6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such 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, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
- 7. The Consultant for itself, representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this agreement for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Consultant shall maintain and operate such facilities and services in compliance with all other

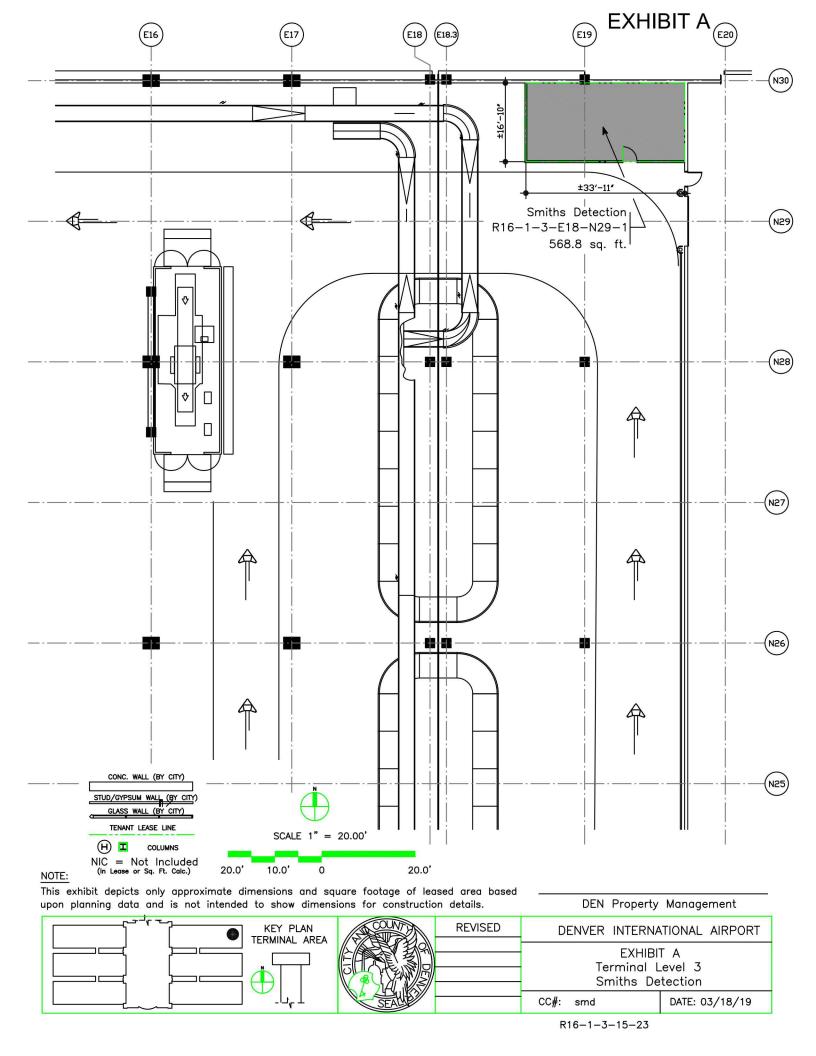
requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

8. The Consultant for itself, representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land: (1) that no person on the grounds of race, color, sex, creed or national origin shall 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 grounds of race, color, sex, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Consultant shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

#### 9. NONDISCRIMINATION IN AIRPORT EMPLOYMENT OPPORTUNITIES

The Consultant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

It is unlawful for airport operators and their lessees, tenants, concessionaires and contractors to discriminate against any person because of race, color, national origin, sex, creed, or handicap in public services and employment opportunities.



#### **EXHIBIT B**

# CITY AND COUNTY OF DENVER INSURANCE REQUIREMENTS FOR DEPARTMENT OF AVIATION OFFICE SPACE LEASE AGREEMENTS

#### A. Certificate Holder

The certificate shall be issued to: CITY AND COUNTY OF DENVER

Denver International Airport 8500 Peña Boulevard, Suite 8810

Denver CO 80249 Attn: Risk Management

### B. Acceptable Certificate of Insurance Form and Submission Instructions

Please read these requirements carefully to ensure proper documentation and receipt of your certificate(s) of insurance.

• ACORD FORM (or equivalent) must be emailed in pdf format to:

contractadmininvoices@flydenver.com

- HARD COPIES of certificates and/or copies of insurance policies will not be accepted.
- ACORD FORM (or equivalent) must reference the DEN assigned Contract Number.

## C. Coverages and Limits

## 1. Commercial General Liability:

Tenant 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 and \$2,000,000 policy annual aggregate.

- 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 applicable.
- c. Coverage shall include Fire Legal Liability in a minimum limit of \$100,000 each fire.

## 2. Business Automobile Liability:

Tenant 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 Tenant does not have blanket coverage on all owned and operated vehicles, then a schedule of insured vehicles (including year, make, model and VIN number) must be submitted with the Certificate of Insurance.
- c. The policy must not contain an exclusion related to operations on airport premises.
- d. If transporting waste, hazardous material, or regulated substances, Consultant shall carry a Broadened Pollution Endorsement and an MCS 90 endorsement on its policy.
- e. If Tenant is an individual or represents that Tenant does not own any motor vehicles and/or Tenant's owners, officers, directors, and employees use their personal vehicles for business purposes, Personal Automobile Liability insurance coverage will be accepted provided it includes a business use endorsement.

- 3. Workers' Compensation and Employer's Liability Insurance:
  - Tenant 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. If Tenant is a sole proprietor, Workers' Compensation and Employer's Liability is exempt under the Colorado Workers' Compensation Act.
- 4. Technology Errors and Omissions, Network Security, and Privacy Liability (Cyber): Tenant shall maintain a limit no less than \$1,000,000 each claim and annual aggregate; \$1,000,000 each claim and annual aggregate for cyber extortion; and no less than \$250,000 each claim for invoice manipulation and email spoofing.
  - a. Coverage shall include, but not be limited to, professional misconduct or lack of ordinary skill, liability arising from theft, dissemination and/or use of personal, private, confidential, information subject to a non-disclosure agreement, including information stored or transmitted, privacy or cyber laws, damage to or destruction of information, intentional and/or unintentional release of private information, costs associated with breach notification, credit monitoring, PCI and regulatory fines and penalties, alteration of information, extortion and network security, introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon, advertising injury, personal injury (including invasion of privacy) and intellectual property offenses related to internet.
  - b. Tenant shall maintain such insurance for an additional period of one (1) year following termination of Contract.

#### 5. Property Insurance:

Tenant shall maintain all-risk form coverage on a replacement cost basis for personal property, improvements and betterments. If leased property is located in a flood or earthquake zone (including land subsidence), flood or earthquake insurance shall be provided separately or within the property policy. Business Interruption coverage shall be included with limits not less than the payments due to the City under the term of the agreement. The City shall be named Loss Payee as its interest may appear. The City shall maintain or cause to be maintained all-risk form coverage for the real property of the facility.

#### 6. Installation Floater:

Tenant 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 DEN Project and/or Contract Number and project description shall be noted on the Certificate of Insurance.

## E. Additional Insured

For all coverages required under this Agreement (excluding Workers' Compensation and Professional Liability, if

required), Tenant's insurer(s) shall include the City and County of Denver, its elected and appointed officials, agents, employees and volunteers as Additional Insureds by policy endorsement.

### F. Waiver of Subrogation

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

#### 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 coverage before the expiration date thereof.

- 1. Such notice shall reference the DEN assigned contract number related to this Agreement.
- 2. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal or reduction in coverage unless due to non-payment of premiums for which notice shall be sent ten (10) days prior.
- 3. If such written notice is unavailable from the insurer or afforded as outlined above, Tenant shall provide written notice of cancellation, non-renewal and any reduction in coverage to the Certificate Holder within seven (7) business days of receiving such notice by its insurer(s) and include documentation of the formal notice received from its insurer's as verification. Tenant shall replace cancelled or nonrenewed policies with no lapse in coverage and provide an updated Certificate of Insurance to DEN.

#### H. Additional Provisions

- 1. Deductibles, Self-Insured Retentions, or any other type of retentions are the sole responsibility of the Tenant.
- 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. A severability of interests or separation of insureds provision (no insured vs. insured exclusion) is included.
- 4. A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City, excluding Professional Liability and Workers' Compensation policies, if required.
- 5. The insurance requirements under this Agreement shall be the greater of (i) the minimum limits and coverage specified hereunder or (ii) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Lessee. It is agreed that the insurance requirements set forth herein shall not in any way act to reduce coverage that is broader or that includes higher limits than the minimums set forth in this Agreement.
- 6. All policies shall be written on an occurrence form when available. If an occurrence form is unavailable, claims-made coverage may 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 discovery period of three years beginning at the time work under this Agreement is completed or the Agreement is terminated, whichever is later.
- 7. Tenant shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, the Tenant will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force.
- 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 a person authorized by the insurer to bind coverage on its behalf and must be submitted to the City at the time Tenant 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 or approval of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of Tenant's breach of this Agreement or of any of the City's rights or remedies under this Agreement. The City's acceptance or approval of any submitted insurance certificate is

- subject to the approval of DEN Risk Management. All coverage requirements specified in the certificate shall be enforced unless waived or otherwise modified in writing by DEN Risk Management. Tenant is solely responsible for ensuring they are in compliance with all insurance requirements and that all formal policy endorsements are issued by their insurers to support the requirements herein.
- 11. The City shall have the right to verify or confirm, at any time, all coverage, information or representations, and the insured and its insurance providers shall promptly and fully cooperate in any such audit the City may elect to undertake including provision of certified copies of insurance policies upon request.
- 12. No material changes, modifications or interlineations to insurance coverage shall be allowed without the review and approval of DEN Risk Management.
- 13. Tenant shall be responsible for ensuring DEN is provided updated Certificate(s) of Insurance ten (10) days prior to each policy renewal.
- 14. Tenant's failure to maintain the insurance required by this Agreement shall be the basis for immediate termination of this Agreement at DEN's sole discretion and without penalty to the City.