

Memorandum



Date: May 4, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 9(A)(1)

From: George M. Burgess
County Manager

Subject: Resolution approving Animal Services/Humane Society of Greater Miami
Spay/Neuter Clinic Partnership Sublease

Recommendation

It is recommended that the Board of County Commissioners approve partnership agreement sublease between Animal Services and the Humane Society of Greater Miami/Adopt-A-Pet (HSGM). The HSGM has volunteered to sub-lease the unit and operate the Clinic to provide low-cost spay/neuter surgeries and vaccinations and other preventive care to the pets of Miami-Dade County residents.

Scope

The HSGM is currently operating the spay/neuter clinic in Cutler Bay leased by Miami-Dade Animal Services. The clinic is open to all dog and cat owners.

Fiscal Impact/Funding Source

The HSGM will incur the lease payments and all other operational expenditures for the spay/neuter clinic beginning in November of 2010 for a two year term with an option to renew for a third year. This will have a positive fiscal impact for Animal Services in the amount of \$40,000 annually.

Track Record/Monitor

Emily Marquez-Dulin the Executive Director of HSGM will be responsible for the contract.

Background

The HSGM has been operating an animal shelter in Miami-Dade County since the 1930s. Since December of 2007, the HSGM has been successfully operating the spay/neuter clinic and it has been communicated to them that there may be a possibility that the associated costs would be cut from the Animal Services budget. In an effort to preserve the partnership and maintain the same location, the HSGM is willing to assume the expenditures for the clinic that include the lease payments and utilities.

Currently Animal Services handles over 37,000 pets per year. The overpopulation crisis can only be addressed through donor subsidized, high volume spay/neuter programs. Since no one specific organization or Miami-Dade County department can solve this overwhelming problem on its own, Animal Services is working on forming partnerships to more effectively address this crisis.

Alina J. Hudak
Assistant County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: May 4, 2010

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 9(A)(1)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 9(A)(1)
5-4-10

RESOLUTION NO. _____

RESOLUTION APPROVING EXECUTION OF SUB-LEASE WITH HUMANE SOCIETY OF GREATER MIAMI/ADOPT-A-PET TO OPERATE VETERINARY CLINIC AT SOUTH DADE GOVERNMENT CENTER AND AUTHORIZING THE COUNTY MAYOR TO EXERCISE RENEWAL AND CANCELLATION PROVISIONS CONTAINED THEREIN

WHEREAS, there is an overpopulation of companion animals in Miami-Dade County;
and

WHEREAS, the Humane Society Of Greater Miami/Adopt-A-Pet, Inc. (the "HSGM") is a registered Florida non-profit corporation, organized for, among others, the purposes of caring for shelter animals and reducing the animal overpopulation problem; and

WHEREAS, the COUNTY, through its Animal Services Department, leases a modular space unit (the "Unit") for a veterinary clinic at the South Dade Government Center; and

WHEREAS, the Animal Services Department currently does not have the financial resources to operate the clinic and the Unit will not be used for County purposes for the foreseeable future; and

WHEREAS, in Resolution No. R1377-07, this Board previously approved a sub-lease with the HSGM has requested to sub-lease the Unit to operate a veterinary clinic to provide low-cost spay/neuter surgeries and vaccinations and other preventive care to the pets of Miami-Dade County residents on a not-for profit basis; and

WHEREAS, the HSGM has requested to extend that lease and has agreed to be responsible for the rental payments on the underlying lease of the Unit and for payment of utilities and other associated costs,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves a sub-lease with the Humane Society Of Greater Miami/Adopt-A-Pet, Inc. (the "HSGM"), in substantially the form attached hereto and made a part hereof, which provides the HSGM with the use of the modular space unit located at the South Dade Government Center for a 2-year term, renewable for an additional 1-year term with the consent of both parties, for which the HSGM will be responsible for payment of the rent on the underlying lease, utilities, and other associated costs. This Board hereby authorizes the County Mayor or designee to exercise the renewal or cancellation provisions contained in the sub-lease.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman	
Jose "Pepe" Diaz, Vice-Chairman	
Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of May, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Dennis A. Kerbel

SUB-LEASE AGREEMENT

THIS AGREEMENT made on the _____ day of _____, 2010, by and between MIAMI-DADE COUNTY, a political subdivision of the State of Florida, herein referred to as the "COUNTY" or the "LANDLORD," and the HUMANE SOCIETY OF GREATER MIAMI ADOPT-A-PET, INC., 16101 W. Dixie Highway, Miami, FL 33160, hereinafter referred to as the "HSGM" or the "TENANT,"

WITNESSETH:

WHEREAS, there is an overpopulation of companion animals in Miami-Dade County; and

WHEREAS, the COUNTY, through its Animal Services Department, leases a modular space unit to operate a veterinary clinic at the South Dade Government Center (the "Clinic") but currently does not have the financial resources to continue to operate the Clinic to its fullest capacity; and

WHEREAS, the HSGM has volunteered to sub-lease the unit and operate the Clinic to provide low-cost spay/neuter surgeries and vaccinations and other preventive care to the pets of Miami-Dade County residents;

NOW THEREFORE, the COUNTY, for and in consideration of the restrictions and covenants herein contained, hereby sub-leases to the HSGM and the HSGM hereby agrees to sub-lease from the COUNTY the demised premises described as follows:

GE Capital Modular Space Units located at 10700 SW 211 Street, Miami, Florida 33166, behind the South Dade Government Center, and further described as:

UNIT	CLASS	WIDTH	LENGTH	SERIAL NO.
603699	MULTI	12'	60'	DSH126686A
603700	MULTI	12'	60'	DSH126686B
603701	MULTI	12'	60'	DSH126686C
603702	MULTI	12'	60'	DSH126686D

and subject to the lease agreement, including any subsequent renewals or amendments, between the County and GE Capital Modular Space (the "Lease"), a copy of which is attached hereto as Exhibit A and is incorporated herein by this reference.

TO HAVE AND TO HOLD unto said TENANT for a term of two (2) years, commencing on November 1, 2010, and upon approval of the Board of County Commissioners and acceptance of leased space with an option to renew for a third year. The HSGM agrees to reimburse the County for the sublease, actual

utilities and any other associated costs. The County will send the HSGM an itemized invoice by the first of each month for all related expenditures with applicable payment terms. The HSGM agrees to pay within 30 days of the invoice.

IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

ARTICLE I
USE OF DEMISED PREMISES

The area of the demised premises shall be used by TENANT solely to operate a veterinary clinic, subject to the following provisions:

- a. HSGM shall comply with the terms of the Lease.
- b. HSGM shall be responsible for providing the following:
 - i. All personnel necessary to operate the veterinary clinic;
 - ii. All medical equipment, including without limitation the following equipment: oxygen for surgeries, pharmaceutical supplies, suture supplies, and surgical tools;
 - iii. Maintenance of each anesthesia machine, air conditioning units filters;
 - iv. Scheduling and hours of operation;
 - v. Computers and telephone equipment;
 - vi. Custodial janitorial Services;
 - vii. Ensuring that no equipment or office furniture belonging to the County is discarded
 - viii. Replacement of equipment or office furniture
 - ix. Serving as the responsible veterinarian for the premises permit; and
 - x. All payments due under the Lease.
- c. The COUNTY shall be responsible for providing the following:
 - i. Anesthesia machines (2)
 - ii. All office furniture, surgical tables and animal cages currently at the site.
- d. HSGM shall provide the following services, according to HSGM fee schedules, as amended from time to time:
 - i. Low-cost spay neuter services;
 - ii. Preventive care, including without limitation, rabies vaccines, vaccine boosters, and heartworm and fecal tests; and
 - iii. Free or subsidized surgeries for indigent residents of Miami-Dade County who provide proof of federal income assistance (limited program), based on availability of grant funding and as administered by HSGM.

ARTICLE II
CONDITION OF DEMISED PREMISES

TENANT hereby accepts the demised premises in the condition they are in at the beginning of this Sub-Lease Agreement.

ARTICLE III
UTILITIES

The TENANT, during the term hereof, shall pay all charges for water and electricity used by the TENANT.

ARTICLE IV
MAINTENANCE

LANDLORD agrees to maintain and keep in good repair, condition, and appearance, during the term of this Sub-Lease Agreement or any extension or renewal thereof, the exterior and interior of the building.

TENANT agrees to maintain and keep in sanitized and good repair, condition, and appearance, during the term of this Sub-Lease Agreement or any extension or renewal thereof, the interior of the demised premises. TENANT shall be responsible for and shall repair any damage caused to the demised premises as a result of TENANT or TENANT's agents, employees, invitees, or visitors use of the demised premises, ordinary wear and tear excepted. LANDLORD shall notify TENANT after discovering any damage which TENANT is responsible for repairing and TENANT shall make the necessary repairs promptly after said notice.

ARTICLE V
DESTRUCTION OF DEMISED PREMISES

In the event the demised premises should be destroyed or so damaged by fire, windstorm, or other casualty to the extent that the demised premises are rendered untenable or unfit for the purpose of TENANT, either party may cancel this Sub-Lease Agreement by the giving of thirty (30) days' prior written notice to the other. If either the Leased Premises or the leased building are partially damaged due to TENANT's negligence, but not rendered unusable for the purposes of this Sub-Lease Agreement, the same shall with due diligence be repaired by TENANT from proceeds of the insurance coverage and/or at its own cost and expense. If the damage shall be so extensive as to render such demised premises unusable for the purposes intended, but capable of being repaired within thirty (30)

days, the damage shall be repaired with due diligence by TENANT from the proceeds of the insurance coverage policy and or at its own cost and expense. In the event that said demised premises are completely destroyed due to TENANT's negligence, TENANT shall repair and reconstruct the demised premises so that they equal the condition of the demised premises on the date possession was given to TENANT. In lieu of reconstructing, TENANT shall reimburse LANDLORD all expenses incurred by LANDLORD in restoring the demised premises to their original condition. The election of remedies shall be at the sole discretion of LANDLORD. TENANT has no obligations under the lease if the LANDLORD's acts or omissions cause the premises to be damaged or destroyed.

ARTICLE VI
ASSIGNMENT

Without the written consent of LANDLORD first obtained in each case, TENANT shall not sublet, transfer, mortgage, pledge, or dispose of this Sub-Lease Agreement or the term hereof.

ARTICLE VII
NO LIABILITY FOR PERSONAL PROPERTY

All personal property placed or moved in the demised premises above described shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to negligence of LANDLORD, LANDLORD's agents or employees, subject to all limitations of Florida Statutes, Section 768.28.

ARTICLE VIII
SIGNS

Signs will be of the design and form of letter to be first approved by LANDLORD; such approval shall not be unreasonably withheld provided that the design and form of letter of the sign is consistent with other signage used on the property. The cost of painting shall be paid by TENANT. All signs shall be removed by TENANT at termination of this Sub-Lease Agreement and any damage or unsightly condition caused to demised premises because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

ARTICLE IX
LANDLORD'S RIGHT OF ENTRY

LANDLORD or any of its agents shall have the right to enter said demised premises during the TENANT's established operating hours, upon the giving of twenty-four (24) hours' prior notice, to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or preservation thereof. Said right of entry shall likewise exist for the purpose of removing placards, signs, fixtures, alterations, or additions which do not conform to this Sub-Lease Agreement.

ARTICLE X
PEACEFUL POSSESSION

Subject to the terms, conditions, and covenants of this Sub-Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the demised premises above described, without hindrance or molestation by LANDLORD.

ARTICLE XI
SURRENDER OF PREMISES

TENANT agrees to surrender to LANDLORD, at the end of the term of this Sub-Lease Agreement or any extension thereof, said demised premises in as good condition as said demised premises were at the beginning of the term of this Sub-Lease Agreement, ordinary wear and tear and damage by fire and windstorm or other acts of God excepted.

ARTICLE XII
INDEMNIFICATION AND HOLD HARMLESS

TENANT shall indemnify and hold harmless the LANDLORD and its officers, employees, agents and instrumentalities from any and all liability, losses, or damages, including attorney fees and costs of defense, which the LANDLORD or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of the Sub-Lease Agreement by the TENANT or its employees, agents, servants, partners, principals or subcontractors. TENANT shall pay all claims and losses in connection therewith, and shall investigate and defend all claims, suits, or actions of any kind

or nature in the name of the LANDLORD, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. TENANT expressly understands and agrees that any insurance protection required by this Sub-Lease Agreement or otherwise provided by TENANT shall in no way limit the responsibility to indemnify, keep and save harmless and defend the LANDLORD or its officers, employees, agents and instrumentalities as herein provided.

ARTICLE XIII
LIABILITY FOR DAMAGE OR INJURY

LANDLORD shall not be liable for any damage or injury which may be sustained by any party or person on the demised premises other than the damage or injury caused by the negligence of LANDLORD, its officers, employees, agents, invitees, or instrumentalities, subject to all limitations of Florida Statutes, Section 768.28.

ARTICLE XIV
SUCCESSORS IN INTEREST

It is hereby covenanted and agreed between the parties that all covenants, conditions, agreements, and undertakings contained in this Sub-Lease Agreement shall extend to and be binding on the respective successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

ARTICLE XV
CANCELLATION

CANCELLATION By LANDLORD: The occurrence of any of the following shall cause this Sub-Lease Agreement to be terminated by the LANDLORD upon the terms and conditions also set forth below:

- A. Automatic Termination:
- 1) Institution of proceedings in voluntary bankruptcy by the TENANT.
 - 2) Institution of proceedings in involuntary bankruptcy against the TENANT if such proceedings continue for a period of ninety (90) days.
 - 3) Assignment by TENANT for the benefit of creditors.

- B. Termination after ten (10) days written notice by the LANDLORD by certified or registered mail to TENANT for doing any of the following:
- D. Notice of any condition posing a threat to health or safety of the public or patrons and not remedied within the ten (10) day period from receipt of written notice.
- C. Termination after fourteen (14) days from receipt by TENANT of written notice by certified or registered mail to the address of the TENANT as set forth below:
- D. Non-performance of any covenant of this Sub-Lease Agreement other than non-payment of rent and others listed in A and B above, and failure of TENANT to remedy such breach within the thirty (30) day period from receipt of the written notice.
- D. A final determination in a court of law in favor of LANDLORD in litigation instituted by TENANT against LANDLORD or brought by LANDLORD against TENANT.
- E. LANDLORD, through its County Manager or his designee, shall have the right to cancel this Sub-Lease Agreement or any portion thereof at any time, with or without cause, by giving the TENANT at least eleven (11) months written notice prior to its effective date.

CANCELLATION By TENANT: TENANT shall have the right to cancel this Sub-Lease Agreement at any time by giving LANDLORD at least thirty (30) days written notice prior to its effective date.

ARTICLE XVI
OPTION TO RENEW

Should both parties agree, this Sub-Lease Agreement may be extended for one (1) additional one (1) year period upon the same terms and conditions by giving LANDLORD notice in writing at least sixty (60) days prior to the expiration of this Sub-Lease Agreement or any extension thereof. Should TENANT neglect to exercise any extension option by the date specified above, TENANT's right to exercise shall not expire until thirty (30) business days after notice from LANDLORD of TENANT's failure to exercise the option.

ARTICLE XVII
NOTICES

It is understood and agreed between the parties hereto that written notice addressed to LANDLORD and mailed or delivered to the Director, Animal Services Department, 111 N.W. 1st Street, Suite 2460, Miami, Florida 33128-1907, shall constitute sufficient notice to LANDLORD, and written notice addressed to TENANT and mailed or delivered to the Executive Director, Humane Society of Greater Miami Adopt-A-Pet, 16101 W. Dixie Highway, North Miami Beach, Florida 33160, shall constitute sufficient notice to TENANT to comply with the terms of this Sub-Lease Agreement.

Notices provided herein in this paragraph shall include all notices required in this Sub-Lease Agreement or required by law.

ARTICLE XVIII
INSURANCE

Prior to occupancy, TENANT shall furnish to the Miami-Dade County Animal Services Department, certificate(s) of insurance which indicate(s) that insurance coverage has been obtained which meets the requirements as outlined below:

- A. Worker's Compensation Insurance for all employees of the HSGM as required by Florida Statute 440.
- B. Public Liability Insurance on a comprehensive basis in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. **Miami-Dade County must be shown as an additional insured with respect to this coverage.**
- C. Automobile Liability Insurance, covering all owned, non-owned, and hired vehicles used in connection with the Sub-Lease Agreement in an amount not less than \$500,000 combined single limit for bodily injury and property damage.
- D. Professional Liability Insurance in an amount not less than \$250,000.

The insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications as to management and financial strength:

The Company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, by the latest edition of Best's Insurance Guide, published by A. M. Best Company, Oldwick, New Jersey, or its equivalent subject to the approval of the County Risk Management Division.

or

The Company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida", issued by the State of Florida Department of Insurance and are members of the Florida Guaranty Fund.

Certificates will indicate that no modification or change in insurance shall be made without thirty (30) days' written advance notice to the certificate holder.

Compliance with the foregoing requirements shall not relieve TENANT of its liability and obligations under this Section or under the Indemnification and Hold Harmless Article, or any other portion of this Sub-Lease Agreement.

TENANT shall be responsible for assuring that the insurance certificates required in conjunction with this section remain in full force for the duration of this Sub-Lease Agreement. If insurance certificates are scheduled to expire during the term of the Sub-Lease Agreement, TENANT shall be responsible for submitting new or renewed insurance certificates to the LANDLORD at a minimum of thirty (30) days in advance of such expiration.

LANDLORD is responsible for standard property insurance which would cover the property in the event that the demised premises should be destroyed or so damaged by fire, windstorm, or other casualty except solely due to TENANT's negligence.

ARTICLE XIX **PERMITS, REGULATIONS & SPECIAL ASSESSMENTS**

TENANT covenants and agrees that during the term of this Sub-Lease Agreement, TENANT will obtain any and all necessary permits and approvals and that all uses of the demised premises will be in conformance with all applicable laws, including all applicable zoning regulations.

Any and all charges, taxes, or assessments levied against the demised premises shall be paid by LANDLORD and failure to do so will constitute a breach of this Sub-Lease Agreement.

ARTICLE XX
FORCE MAJEURE

TENANT and LANDLORD shall be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the non-monetary terms, covenants, and conditions of the Sub-Lease Agreement when prevented from so doing by cause or causes beyond TENANT's or LANDLORD's control, excluding filing of bankruptcy, but which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of TENANT or LANDLORD.

ARTICLE XXI
WAIVER

If, under the provisions hereof, LANDLORD or TENANT shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of LANDLORD's or TENANT'S rights hereunder, unless expressly stated in such settlement agreement. No waiver by LANDLORD or TENANT of any provision hereof shall be deemed to have been made unless expressed in writing and signed by both parties. No waiver by LANDLORD or TENANT of any breach of covenant, condition, or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment by TENANT or receipt by LANDLORD of lesser amount than the monthly installments of rent (or additional rent obligations stipulated) shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amounts owed to LANDLORD be deemed an accord and satisfaction and LANDLORD may accept such check or payment without prejudice to or waiver of LANDLORD's right to recover the balance of such rent or other amount owed or to pursue any other remedy provided in this Sub-Lease Agreement. No reentry by LANDLORD and no

acceptance by LANDLORD of keys from TENANT shall be considered an acceptance of a surrender of this Sub-Lease Agreement.

ARTICLE XXII
DEFAULT OF TENANT

If TENANT shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by TENANT, and if such violation or failure continues for a period of thirty (30) days after written notice thereof to TENANT by LANDLORD, and further, if TENANT shall be diligently attempting to cure such failure to perform any other conditions, covenants, or agreements, the time to cure such failure shall be extended for so long as TENANT shall diligently prosecute such cure, then LANDLORD may proceed with any remedy available at law or in equity in the State of Florida or by such other proceedings, including reentry and possession, as may be applicable. All rights and remedies of LANDLORD under this Sub-Lease Agreement shall be cumulative and shall not be exclusive of any other rights and remedies provided to LANDLORD under applicable law.

ARTICLE XXIII
ADDITIONAL PROVISIONS

1. Mechanic's, Materialmen's and Other Liens

TENANT agrees that it will not permit any mechanic's, materialmen's or other liens to stand against the demised premises for work or materials furnished to TENANT; it being provided, however, that TENANT shall have the right to contest the validity thereof. TENANT shall immediately pay any judgment or decree rendered against TENANT, with all proper costs and charges, and shall cause any such lien to be released off record without cost to LANDLORD.

2. Non-Discrimination

The Board of County Commissioners declared and established as a matter of policy, by Resolution No. 9601 dated March 24, 1964, that there shall be no discrimination based on race, color, creed, or national origin and Resolution No. 85-92 dated January 21, 1992, that there shall be no discrimination on the basis of disability in connection with any County property or facilities operated or maintained under lease agreement, license, or other agreement from MIAMI-DADE COUNTY or its agencies.

TENANT agrees to comply with the intention of Resolution No. 9601 dated March 24, 1964 and Resolution No. 85-92 dated January 21, 1992, involving the use, operation, and maintenance of the property and facilities included in this Sub-Lease Agreement.

ARTICLE XXIV
HOLDOVER

If TENANT, with LANDLORD's consent, remains in possession of the demised premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then such occupancy shall be a tenancy from month to month. In the event of such holding over, all of the terms of the Sub-Lease Agreement shall remain in force and effect on said month to month basis.

ARTICLE XXV
GOVERNING LAW

This Agreement, including any exhibits or amendments, if any, and all matters relating thereto (whether in contract, statute, tort or otherwise) shall be governed by and construed in accordance with the laws of the State of Florida.

ARTICLE XXVI
WRITTEN AGREEMENT

This Sub-Lease Agreement contains the entire agreement between the parties hereto and all previous negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.

IN WITNESS WHEREOF, LANDLORD and TENANT have caused this Sub-Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

Emily Marquez

Kim Maxwell
WITNESS

Emily Marquez
(TENANT)

Kim Maxwell

Executive Director
Financial Society of
Greater Miami

Laura Hoffman
WITNESS

Laura Hoffman

(OFFICIAL SEAL)

ATTEST:
HARVEY RUVIN, CLERK

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
DEPUTY CLERK

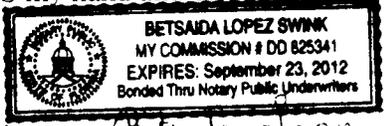
By: _____
Carlos Alvarez
Mayor (LANDLORD)

STATE OF FLORIDA
COUNTY OF MIAM-DADE

BEFORE ME, the undersigned authority, personally appeared EMILY MARQUEZ, to me well known and known to me to be the individual described in and who executed the foregoing instrument as the EXECUTIVE DIRECTOR of THE HUMAN SOCIETY OF CREATOR MIAMI, and acknowledged to and before me that he executed such instrument as such _____ of said _____, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal this 30 day of MARCH, 2010.

(SEAL)



Signature: Betsaida Lopez Swink
Title: Notary Public

Name: [Print or type] BETSAIDA LOPEZ SWINK
Serial No., if any: DD825341
My commission expires: SEPTEMBER 23, 2012



Modular Space Corporation

CUSTOMER & LEASE INFORMATION:

Renewed April 2010

Customer Name:	Miami Dade County	Expired Lease Number:	305667
Customer ID:	ID # 305733 / ACC# 752344	Delivery Location:	SOUTH MIAMI
Contact Name:	Angel Villarreal	Contact Number:	305 805 1701

Please indicate your lease renewal term and rate preference by selecting a standard term below or writing in your custom term, initialing your selection below, signing and faxing this form to Modular Space at 305-805-1701

Initials	TERM OPTION	MONTHLY LEASE RATE
X <i>AV</i>	12 months Renewal Rate	\$ 2,043.00

This Addendum will serve to amend the terms, conditions and provisions of the above referenced Lease Agreement including all exhibits, attachments and modifications previously made (the "Lease") by and between Miami Dade County ("Customer") and Modular Space Corporation. Now, therefore, in consideration of the Equipment, the Lease and other good and valuable consideration the sufficiency of which is hereby acknowledged the parties hereby agree to the following:

1. Modular Space and Customer hereby agree to extend the term of the Lease commencing 30 days after the printed date on this letter (the "Revised Commencement Date") for the number of months selected above, and Customer agrees to pay Modular Space Corporation the corresponding Rent indicated above. The absence of, or Customer's failure to issue, a renewal purchase order will not eliminate or alter the Customer's obligations under the Lease or this Addendum.
2. The rates for tear down and return freight previously agreed to in the expired lease agreement 000000 are no longer applicable, and all future tear down and return freight charges will be billed at the prevailing rate at the time of final lease termination.
3. The undersigned represents that they are fully authorized to enter into this Addendum with Modular Space Corporation.
4. Except as expressly set forth herein, all other terms, conditions and provisions of the Lease will remain the same. In the event of any conflict between the terms, conditions and provisions of the Lease and this Addendum, then this Addendum shall prevail.
5. "Notice as per the terms and conditions of your lease agreement we would need a 60 day notice prior to schedule of any pick-ups of modular offices.

<p>ACCEPTANCE:</p> <p>By: <u><i>Sara Pizano</i></u> <small>Authorized Signature</small></p> <p><u>Sara Pizano</u> <small>Print Name</small></p> <p><u>Director</u> <u>12/10</u> <small>Title Date</small></p> <p><u>spizano@miamidadecounty.gov</u> <small>Email</small></p>	<p>MODULAR SPACE</p> <p>By: <u><i>Juan Broche</i></u> <small>Authorized Signature</small></p> <p><u>Juan Broche</u> <small>Print Name</small></p> <p><u>Senior Territory Manager</u> <u>01/21/2010</u> <small>Title Date</small></p>
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TERMS AND CONDITIONS OF LEASE AGREEMENT

1. **Lease**

This transaction is a lease as defined by the Uniform Commercial Code as enacted in Pennsylvania and not a sale. Customer does not acquire through this Lease or the payment of rental under this Lease any right, title or interest in or to the Equipment, except the right to possess and use the Equipment so long as Customer is not in default under this Lease.
2. **Rental and Other Payments**
 - (a) The start of the lease term is the date on which GEMS substantially completes its scope of work for installation, unless otherwise agreed to among the parties. Monthly rental will accrue through and including the month in which the later of the Return Date or End of the Term occurs. The "Return Date" is the date on which the Equipment is returned to GEMS in accordance with the terms of this Lease. The "End of the Term" is the date on which the term of this Lease is to expire, either originally, under a renewal term or under month-to-month renewals as contemplated by this Lease. Rental and such other charges will be prorated on a daily basis where necessary. Unless otherwise specified in this Lease, charges for delivery and installation, initial month's rent and any applicable initial charges for the Optional Insurance Program and Damage Waiver will be due and payable at the start of the lease term, and charges for teardown and return will be due and payable at the earlier of the Return Date or the End of Term. After payment of the initial month's rent, each month's rent thereafter is due and payable without demand and in advance (i) at the end of each thirty (30) day period following the commencement of the lease term, if a rental month is defined on the first page of this Lease as a thirty-day period or (ii) on the first of each month immediately following the month in which this lease commences, if a rental month is defined on the first page of this Lease as a calendar month. All other sums payable by Customer under this Lease are due and payable when invoiced. Unless agreed otherwise, all payments made under this Lease will be made by Customer's check drawn on its regular bank checking account or such other form of payment as is acceptable to GEMS. All payments by Customer will be made without setoff or deduction of any kind.
 - (b) Customer will pay GEMS for any and all sales and use taxes, other direct taxes and registration fees imposed by any city, county, state or federal government or other taxing authorities and related directly or indirectly to the Equipment or its use, excluding federal or state taxes relating to income (all of the foregoing that Customer is to pay, "Taxes"). Taxes may be allocated by GEMS on either an individual or prorated basis for any item of Equipment based on purchase price, value, possession, use, location, rentals, delivery or operation of such Equipment. Taxes may include an allocation on a statewide basis of locally imposed taxes. Customer's obligations under this Subsection will survive the termination of this Lease.
 - (c) For Customer's convenience, GEMS intends to issue invoices for amounts due under this Lease. If Customer fails to pay any amount due within twenty (20) days of the due date, GEMS may impose a charge on such amount at one and one-half percent (1-1/2%) per month or the highest rate permitted by law, whichever is lower, from the due date until payment in full is received by GEMS.
 - (d) When the Lease term exceeds eleven (11) months, the rental charge may, at GEMS's option, be adjusted upward based upon the Consumer Price Index, All Urban Consumers, US City Average, All Items ("CPI") (United States Bureau of Labor Statistics or such other index as may succeed the CPI), as follows: For each change of one percent (1%) in the CPI from the CPI as available immediately prior to the start date of this Lease, the rental rate will be adjusted by a factor of one percent (1%). Any adjustments will take effect at six (6) months following the start date of this Lease and will be further adjusted each six (6) months thereafter. The adjustment will be based on the most recent CPI indices available prior to the invoice in which an adjustment is made.
 - (e) From time to time, at GEMS's option, GEMS may add additional costs and expenses, including but not limited to increases in fuel costs and/or other operating costs and expenses ("Additional Operating Costs") to the rental charges and other payments that Customer must pay to GEMS under this Lease; said Additional Operating Costs will be calculated by GEMS, in its sole discretion, as a result of increases in GEMS's costs and expenses.
3. **Delivery and Installation**
 - (a) Customer will provide free and clear access for delivery of the Equipment by standard mobile transport vehicles. Customer will be solely responsible, at its cost, for preparation of the site on which the Equipment is to be used (the "Site"), including any required structural or grade alterations and identification of utility lines. Customer will provide firm and level ground on no more than a six-inch (6") slope from one end to the other for safe and unobstructed installation for the Equipment. Site selection is the sole responsibility of Customer. **GEMS ASSUMES NO LIABILITY NOR OFFERS ANY WARRANTY FOR THE FITNESS OR ADEQUACY OF, OR THE UTILITIES AVAILABLE AT THE SITE.**
 - (b) Customer will have sole responsibility, at Customer's cost, to obtain any and all licenses, titles, building and other permits and any other approvals and certificates as may be required by law or otherwise for the installation and placement of the Equipment and Customer's lawful operation, possession or occupancy of the Equipment. Customer agrees that all certificates of title or registration applicable to the Equipment will reflect GEMS's ownership of the Equipment.
 - (c) GECMS's delivery of the Equipment is subject to delays in manufacturing, modification, delivery or installation due to fire, flood, windstorm, riot, civil disobedience, strike or other labor actions, acts of God, or any circumstances beyond GECMS's control (including but not limited to breaches by GECMS's sub-contractors or manufacturers) which delay the manufacture or modification of products or the making of deliveries in the normal course of business.
 - (d) The prices for delivery, installation, teardown, return delivery and other "one-time" charges, the due dates of such charges and the start date of this Lease assume accuracy of the information given to GEMS with respect to Site conditions and locations and are subject to adjustment to the extent that the timing of or physical nature of access to the Site is or becomes limited, the Site does not have adequate load bearing or topographic qualities or is otherwise not properly prepared, utilities are not correctly located, provision of utilities is not timely or applicable licenses or permits are not provided in a timely manner or Customer otherwise delays completion of GEMS's scope of work.
 - (e) GEMS may suspend work at the Site if GEMS deems the Site to be unsafe.
4. **Maintenance of Equipment**
 - (a) Customer will not move or in any way modify the Equipment without written consent of GEMS. Notwithstanding GEMS's consent to Customer's modification of the Equipment, Customer is liable for the cost of the removal of such modification or restoration of the Equipment upon the termination of this Lease for the modified Equipment. GEMS may place its name on the Equipment, and Customer will assure that such name is not removed or concealed in whole or in part.
 - (b) Customer, at Customer's sole cost, will keep the Equipment at all times until the Return Date in good repair and operating condition, subject to ordinary wear and tear, and free of any and all liens and encumbrances. GECMS will have the right to inspect the Equipment from time to time until the Return Date and if GECMS believes the Equipment to be misused, abused or neglected, GECMS may summarily remove and repossess the Equipment at Customer's cost.
 - (c) Customer will perform, execute and comply with all Laws which in any way affect the use, operation, maintenance, or storage of the Equipment. "Laws" means all laws, rules, regulations or orders of any governmental agency or instrumentality of the United States, Canada, any state, province, municipality or other local government and all orders, writs and decrees of any court, tribunal or administrative agency, in any case which now exist or hereafter arise (including but not limited to laws governing Hazardous Substances and other environmental risks and the Americans with Disabilities Act). Customer will not make or permit any unlawful use or handling of the Equipment.
 - (d) **HAZARDOUS SUBSTANCES** (i) "Hazardous Substances" means hazardous, toxic, radioactive or bio-hazardous substances or petroleum products. (ii) Customer will not use or store Hazardous Substances in the Equipment, except such substances and in such quantities as would be normal in the operation of a commercial office. Customer will not locate the Equipment at a remediation or nuclear site or use the Equipment for medical laboratory testing. (iii) Ordinary wear and tear does not include contamination by Hazardous Substances. If any returned Equipment is found to have been contaminated by Hazardous Substances during Customer's possession, GEMS may charge Customer for the clean up or may require Customer to purchase the Equipment at the then current market price charged for an uncontaminated unit.
 - (e) Customer agrees that the Equipment leased hereunder will not be occupied by any person other than Customer or its agents, employees or invitees. The Equipment will not be used for residential or dormitory purposes.
5. **NO WARRANTY FOR MERCHANTABILITY OR FITNESS**

THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, AND ALL WARRANTIES OF ANY KIND, INCLUDING ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE, ARE HEREBY EXCLUDED BOTH AS TO THE EQUIPMENT AND AS TO ANY INSTALLATION, MAINTENANCE OR REPAIR WORK PERFORMED BY GEMS ON THE EQUIPMENT.



TERMS AND CONDITIONS OF LEASE AGREEMENT

6. **Limitation of Damages**

Customer does hereby expressly waive any and all claims and demands for loss of profits or other alleged consequential, incidental or punitive damages arising out of or in connection with this Lease. GEMS is not liable for any loss or damage to any property stored, located or transported in, upon, under or around any Equipment and Customer does hereby waive any and all claims and demands for any such loss or damage.

7. **End of Lease**

- (a) Unless specified otherwise, Customer must give GEMS sixty (60) days' prior written notice of the date on which the Equipment is to be returned.
- (b) If Customer, without any further written agreement, continues to possess or occupy the Equipment after the expiration of the initial and any renewal term of Lease with or without consent of GEMS, Customer will then be deemed to have renewed this Lease on a month-to-month basis subject to such rate as GEMS declares to be in effect (and in the absence of such declaration at the last monthly rate applicable to the Equipment), and GEMS may terminate such month-to-month extension at any time.
- (c) If at any time after the initial or any renewal term (or at GEMS's request at any time this Lease is on a month-to-month basis), GEMS requests the return of the Equipment, Customer will return the Equipment to GEMS, within five (5) days, at GEMS's designated address, at Customer's sole cost. Missing accessories, attachments or other items, repairs of any kind and restoration to original specifications whether due to customer alterations or otherwise will remain the sole responsibility of Customer, normal wear and tear excepted.
- (d) Customer may terminate this Lease prior to the expiration of the Minimum Lease Period, subject to all terms and conditions of this Lease, and the Customer will pay (in addition to tear-down and return charges) the following termination charges:
 - i) If Customer is the first user of the Equipment, the remaining unpaid rental charges for the Minimum Lease Period.
 - ii) If Customer is not the first user: (A) if the remaining Minimum Lease Period ("MLP") is less than three (3) rental months, four (4) times the Adjusted Weekly Lease Charge ("AWLC"); (B) if the remaining MLP is between three (3) rental months and six (6) rental months, inclusive, eight (8) times the AWLC; or (C) if the remaining MLP is more than six (6) rental months but one (1) year or less, twelve (12) times the AWLC; or (D) if the remaining MLP exceeds one (1) year, fourteen (14) times the AWLC for each year, or portion thereof, of the portion of the remaining MLP cancelled.
 - iii) The "Adjusted Weekly Lease Charge" or "AWLC" means the Weekly Lease Charge less that portion representing amortization of any delivery, set-up, tear-down, return or similar one-time charges and customer-requested modifications not provided as a separate charge under the terms of this Lease (the "Amortized One-Time Costs"). In addition, Customer will pay in full the unpaid Amortized One-Time Costs. In no case will the termination charges be in excess of the rental charge for the remainder of MLP.

8. **Indemnification**

Customer hereby specifically indemnifies, agrees to defend and holds harmless GEMS, its employees and agents from any and all loss, claims, liabilities, damages, fines, forfeitures, seizures, penalties and expenses (including attorneys' fees and investigative costs) (collectively "Losses") that may arise from or in connection with:

- (a) The loss of or damage to the Equipment prior to the Return Date because of collision, fire, lightning or theft, flood, windstorm or explosion, civil disturbance or not of any other peril or casualty.
- (b) The death of or injury to, including but not limited to, damage to the property of, any person (other than the Equipment) as a result of, in whole or in part, the use of condition prior to the Return Date of the Equipment.
- (c) Any act or omission of Customer in violation of this Lease.
- (d) The actual or alleged storage, maintenance, use, handling, repair, or operation of the Equipment, prior to the Return Date, including but not limited to any failure to use anchor straps, any work done on, or any materials supplied to or in connection with the operation, maintenance, possession or storage of the Equipment and any loss or damage to anything stored in any of the Equipment, and
- (e) Any damage to Customer's property or the property of any third parties incurred during or in connection with the fulfillment of Customer's obligations by or on behalf of GEMS or the repossession or return of Equipment by GEMS in accordance with the terms of this Lease.

The obligations contained in this Section 8 will survive expiration or termination of the term of this Lease and the Return Date. The indemnifications contained in this Section 8 will apply to any Losses whether they are asserted before or after the Return Date.

9. **Insurance**

- (a) Customer, at Customer's sole cost, will procure and keep in full force and effect, from the initial delivery date until the return of all Equipment the following policies of insurance satisfactory to GEMS as to the insurer and as to the form and amount of coverage, with premiums prepaid:
 - i) Commercial General Liability Insurance with a minimum combined single limit of \$1,000,000 per occurrence, written on an occurrence form, including coverage for premises, operations, contractual liability, broad form property damage, independent contractors and personal injury liability, naming GEMS as an additional insured.
 - ii) Commercial Property Insurance protecting against all loss and damages, at full replacement cost, sustained or suffered due to the loss of or damage to the Equipment as a result of collision, fire, lightning, theft, flood, windstorm, explosion or any other casualty, naming GEMS as a loss payee.
- (b) Customer will deliver certificates evidencing all such insurance to GEMS within fourteen (14) days after delivery of the Equipment to Customer's site, time being of the essence, except that, if Customer elects to enroll in the Optional Insurance Program or the Damage Waiver Option, Customer will not have to deliver certificates of insurance to GEMS for the type of risks covered by the Optional Insurance Program or Damage Waiver Option as elected by Customer. Each certificate will state that such insurance will not terminate or be materially changed without thirty (30) days' prior written notice to GEMS.
- (c) If Customer fails to deliver the insurance certificate as required by paragraph (b) on the date required, Customer will be in default under this Lease. In addition to all the other remedies for default under this Lease, GEMS may (i) impose upon Customer a one-time fee for insurance processing of One Hundred Dollars (\$100) and (ii) assess as additional rent an uninsured lessee fee of ten percent (10%) of the monthly rental from the start of the lease term until the required insurance certificate is delivered to GEMS.
- (d) Obtaining insurance as described above, including the Optional Insurance Program, will not affect Customer's obligations and indemnities under this Lease, and the loss, damage to, or destruction of any of the Equipment will neither terminate this Lease nor, except to the extent that GEMS is actually compensated by insurance paid for by Customer, relieve Customer of any of Customer's liability under this Lease.



TERMS AND CONDITIONS OF LEASE AGREEMENT

10. Optional Insurance and Damage Waiver

- (a) In certain circumstances, Customer may choose (i) to enroll in an Optional Insurance Program to cover general liability risks (the "Optional Insurance Program") or (ii) to accept a Damage Waiver Option to cover damage to the Equipment (the "Damage Waiver Option") or (iii) to elect both options. If the Optional Insurance Program or the Damage Waiver Option is available and Customer, in writing prior to delivery of the Equipment to the site, elects to enroll in the Optional Insurance Program or accept the Damage Waiver Option, then Section 10(b) will apply. If Customer elects to enroll in the Optional Insurance Program and Section 10(c) will apply if Customer accepts the Damage Waiver Option.
- (b) The Optional Insurance Program is fully described in an Outline of Coverage ("the Outline of Coverage") which Customer has received and reviewed prior to any election to enroll in the Optional Insurance Program. All questions regarding the Optional Insurance Program will be answered by the qualified licensed insurance agent identified in the Outline of Coverage. If Customer properly elects to enroll in the Optional Insurance Program so long as such coverage is still in full force and effect, Customer will not be required, under this Lease, to carry additional commercial liability insurance as required by Section 9(a)(i).
- (c) If the Damage Waiver Option is properly elected and so long as Customer timely pays the additional fee specified for such Damage Waiver Option, Customer will not be required, under the terms of this Lease, to carry any additional commercial property insurance as required by Section 9(a)(i) and Customer will not be liable to GEMS in excess of \$500 per unit of Equipment for loss or damage specified in Section 8(a), except Customer will not be relieved of liability if Customer violates any other provision of this Lease. **THE DAMAGE WAIVER IS NOT INSURANCE COVERAGE.**
- (d) Customer's coverage under the Optional Insurance Program or acceptance of the Damage Waiver Option may be cancelled by either party and rates for coverage under the Optional Insurance Program or fees for the Damage Waiver Option may be changed upon thirty (30) days' prior written notice. If the Optional Insurance Program or Damage Waiver Option is, for any reason, cancelled, Customer will provide to GEMS evidence of policies of insurance as set forth in Sections 9(a)(i) or 9(a)(ii), as appropriate, within ten (10) days prior to the effective date of such cancellation.
- (e) The coverage provided under the Optional Insurance Program and the limitation of liability under the Damage Waiver Option does not extend to the transportation of Equipment or its contents and, only extends to Equipment installed on ground level.
- (f) The Damage Waiver Option will not be binding upon GEMS unless any loss, damage, injury or claim is reported to GEMS in writing within seventy-two (72) hours of the occurrence of any such event. Customer will also provide any information in regard to such event that GEMS reasonably requests.

11. Default

- The occurrence of one or more of the following in clauses (a) - (e) below will constitute an Event of Default under this Lease:
 - (a) Customer fails to pay when due any rental payment or any other payment due under this Lease and such failure remains unremedied for more than ten (10) days after such failure to perform or observe.
 - (b) Customer fails to perform or observe any other term or condition under this Lease and such failure remains unremedied for more than ten (10) days after such failure to perform or observe.
 - (c) Customer or any person or entity which controls more than fifty percent (50%) of Customer's equity (a "Control Person") or any guarantor of any of Customer's obligations hereunder (a "Guarantor") (i) becomes insolvent, (ii) becomes subject to any voluntary or involuntary bankruptcy or reorganization proceedings, (iii) commits an act of bankruptcy, (iv) makes an assignment for the benefit of creditors, (v) appoints or submits to the appointment of a receiver for all or any of its assets, (vi) admits in writing its inability to pay its debts as they become due or (vii) enters into any type of voluntary or involuntary liquidation or dissolution.
 - (d) Customer, any Control Person or any Guarantor defaults under any other agreement with GEMS or any affiliate of GEMS, and
 - (e) Any letter of credit, guaranty or other security given to secure the performance of Customer's obligations under this Lease expires, terminates or in the reasonable opinion of GEMS becomes worthless.
- Upon the occurrence of an Event of Default, GEMS will have the option to declare the entire balance of rent for the remainder of the stated lease term immediately due and payable and to accelerate and make immediately due and payable any other amounts owing under this Lease. GEMS will also have the option to retake and retain any or all of the Equipment free of all rights of Customer without any further liability or obligation to redeliver any of the Equipment to Customer, and Customer hereby grants GEMS the right to enter upon any premises where all or any of the Equipment is located in order to take possession of and remove such Equipment. (Notwithstanding the foregoing, if an Event of Default occurs under clause (c) above, such accelerations will occur automatically without the need for declaration.) Customer will pay to GEMS on demand all fees, costs and expenses incurred by GEMS in enforcing its rights under this Lease, including without limitation reasonable attorneys' fees. The remedies provided in favor of GEMS will be cumulative and in addition to all other remedies provided in this Lease or existing at law or in equity. No action taken by GEMS pursuant to this Section 11 or Section 13 will release Customer from Customer's covenants, obligations and indemnities provided under this Lease including but not limited to Customer's obligation for the payment of rentals provided in this Lease.
- If GEMS retakes possession of the Equipment or any part of the Equipment and there is at the time of such retaking, in, upon or attached to such repossessed Equipment any other property, goods or things of value owned by Customer or in the custody or control of Customer, GEMS is authorized to take possession of such other property, goods or things and hold the same for Customer, at Customer's sole cost, either in GEMS's possession or in public storage, at GEMS's sole discretion.

12. GEMS' Right To Cure

If Customer defaults in any of its obligations under this Lease, whether or not an Event of Default then exists, GEMS may pay all amounts or perform or cause to be performed all obligations required to be paid or performed by Customer under this Lease and recover from Customer as additional rent all amounts so paid or the reasonable value of all services so performed.

13. Set-Off

Without limiting any other provision of this Lease, upon the occurrence of an Event of Default, GEMS will have the immediate right, without notice, demand or other action, to set-off against Customer any amounts GEMS may hold as prepayments or deposits for GEMS liabilities to Customer whether or not then due to Customer. Unless otherwise prohibited by law, GEMS will be deemed to have exercised such right to set-off and to have made a charge against any such sums immediately upon the occurrence of any Event of Default by Customer.

14. Assignment, Amendment, Modification, Miscellaneous

- (a) Customer will not have the right to assign this Lease or to sublet, rent or otherwise hire out or transfer possession of any of the Equipment to any person or entity other than GEMS, without the prior written consent of GEMS. GEMS may assign this Lease and the rentals reserved under this Lease. If GEMS makes such an assignment, the assignee will acquire all rights and remedies possessed by or available to GEMS under this Lease.
- (b) This Lease contains the entire agreement between the parties pertaining to the subject matter of this Lease. No agreements, representation or understandings not specifically contained in this Lease will be binding upon any of the parties hereto unless reduced to writing and signed by the parties to be bound thereby. Any amendment, modification or addendum to this Lease will not be binding on GEMS unless signed by an authorized officer of GEMS. This Lease will be governed as to its construction, interpretation and effect by the laws of the Commonwealth of Pennsylvania without regard to principles of choice of laws.