

WOODS RUN OFFICE BUILDING
LEASE AND SUBLEASE AGREEMENT

MELLON-STUART REALTY CO.
Landlord

DUQUESNE LIGHT COMPANY
Tenant

Dated: December 29, 1983

EXHIBIT I

TABLE OF CONTENTS

	<u>Page</u>
PARTIES	1
RECITALS	1
<u>ARTICLE I CONSTRUCTING THE IMPROVEMENTS AND INSTALLATION OF EQUIPMENT</u>	
Section 1.01	3
Section 1.02	3
Section 1.03	3
<u>ARTICLE II RENT</u>	
Section 2.01	4
Section 2.02	5
<u>ARTICLE III USE OF PREMISES, REPAIR AND MAINTENANCE</u>	
Section 3.01	5
Section 3.02	5
Section 3.03	6
Section 3.04	6
<u>ARTICLE IV MECHANICS' LIENS</u>	
Section 4.01	7
<u>ARTICLE V TAXES AND ASSESSMENTS AND UTILITY CHARGES; INTERRUPTION OF UTILITY SERVICES</u>	
Section 5.01	8
Section 5.02	9
Section 5.03	9
Section 5.04	10
Section 5.05	10
Section 5.06	10
Section 5.07	11
<u>ARTICLE VI PUBLIC LIABILITY AND PROPERTY DAMAGE</u>	
Section 6.01	11
Section 6.02	12

Table of Contents (cont'd.)

	<u>Page</u>
<u>ARTICLE VII FIRE INSURANCE</u>	
Section 7.01	14
Section 7.02	14
<u>ARTICLE VIII DAMAGE OR DESTRUCTION</u>	
Section 8.01	15
Section 8.02	16
<u>ARTICLE IX CONDEMNATION</u>	
Section 9.01	16
Section 9.02	18
<u>ARTICLE X COVENANTS RUN WITH THE LAND</u>	
Section 10.01	18
<u>ARTICLE XI DEFAULTS AND REMEDIES</u>	
Section 11.01	19
Section 11.02	20
Section 11.03	21
Section 11.04	22
<u>ARTICLE XII OPTION TO PURCHASE</u>	
Section 12.01	22
Section 12.02	23
<u>ARTICLE XIII WAIVER</u>	
Section 13.01	24
<u>ARTICLE XIV ESTOPPEL CERTIFICATES</u>	
Section 14.01	24
Section 14.02	25
<u>ARTICLE XV TERMINATION</u>	
Section 15.01	25
Section 15.02	26

Table of Contents (cont'd.)

	<u>Page</u>
<u>ARTICLE XVI INVALIDITY OF PARTICULAR PROVISIONS</u>	
Section 16.01	26
<u>ARTICLE XVII NOTICES</u>	
Section 17.01	27
Section 17.02	28
<u>ARTICLE XVIII CONDITION OF AND TITLE TO PROPERTY; QUIET ENJOYMENT</u>	
Section 18.01	28
<u>SECTION XIX ARBITRATION AND WAIVER OF JURY TRIAL</u>	
Section 19.01	29
Section 19.02	29
Section 19.03	29
Section 19.04	30
Section 19.05	30
<u>ARTICLE XX DISPOSITION CONTRACT</u>	
Section 20.01	31
<u>ARTICLE XXI MISCELLANEOUS</u>	
Section 21.01	31
Section 21.02	31
Section 21.03	32
Section 21.04	32
Section 21.05	32
Section 21.06	33
APPENDIX A DESCRIPTION	
EXHIBIT I MEMORANDUM OF LEASE	

WOODS RUN OFFICE BUILDING
LEASE AND SUBLEASE AGREEMENT

THIS AGREEMENT made and entered into the 29th day of December, 1983, by and between MELLON-STUART REALTY CO. a Pennsylvania business corporation (hereinafter sometimes called the "Landlord"), party of the first part;

A

N

D

DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation (hereinafter sometimes called the "Tenant"), party of the second part.

WITNESSETH:

WHEREAS, by Land Lease Agreement dated December 29, 1983 (hereinafter, together with any amendments or modifications, sometimes called the "Land Lease"), Landlord has leased from Tenant, a certain piece or parcel of land situate in the 27th Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, and more particularly described in Appendix A attached hereto and made a part hereof (hereinafter sometimes called the "Land");

WHEREAS, Landlord is the owner of an office building erected on the Land known as the Woods Run Office Building (hereinafter sometimes called the "Improvements") constructed by Landlord on behalf of Tenant;

WHEREAS, Tenant is desirous of subleasing from Landlord the Land and of leasing from Landlord the Improvements and Landlord is willing to sublease and lease the same to Tenant upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises, Landlord and Tenant, intending to be legally bound hereby, do agree that Landlord, for and in consideration of the rents, covenants and agreements hereinafter reserved on the part of Tenant to be paid, kept and performed, does hereby demise and lease to Tenant and Tenant does hereby take and hire from Landlord (a) the Improvements, (b) the leasehold estate of the Landlord in the Land, and (c) all the right, title and interest of Landlord in and to any appurtenances thereto, subject to the terms and provisions of the Land Lease and that certain mortgage dated December 29, 1983 (such mortgage, together with any renewal or refinancing thereof hereinafter sometimes called the "Mortgage"), securing a promissory note in the principal amount of \$6,100,000 from Landlord to The Penn Mutual Life Insurance Company, ad valorem taxes and assessments, zoning ordinances and all matters of record, to have and to hold the Improvements, such leasehold estate and appurtenances, subject

as aforesaid, unto Tenant for a term commencing on January 1, 1984, and expiring on the 31st day of December, 2012, unless this agreement shall sooner terminate as hereinafter provided, upon the following covenants, agreements, terms, provisions, conditions and limitations as follows:

ARTICLE I

Constructing the Improvements and Installation of Equipment

Section 1.01. Landlord, entirely at its own cost and expense and without charge or obligation to Tenant, has completed construction of the Improvements on the Land.

Section 1.02. Tenant, entirely at its own cost and expense and without charge or obligation to Landlord, has provided and installed all machinery and equipment deemed by Tenant to be necessary for the operation of the Improvements as the Woods Run Office Building.

Section 1.03. Title to the Improvements shall at all times during the term of this agreement be vested in Landlord and title to any change, restoration, repair, replacement, rebuilding or alteration thereof during the term made by Landlord shall vest in Landlord which shall have and own the sole depreciable interest in the Improvements, and such change,

restoration, repair, replacement, rebuilding or alteration thereof.

ARTICLE II

Rent

Section 2.01. Tenant covenants and agrees to pay to Landlord in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the principal office of Landlord, One North Shore Center, Pittsburgh, Pennsylvania 15212, or at such other place as Landlord may from time to time specify by notice given pursuant to Section 17.01 hereof, and to the attention of such officer or other person as Landlord may by like notice from time to time designate, net rent (hereinafter called "Net Rent") as follows:

(a) For each lease year beginning January 1, 1984, and ending on December 31, 1998, \$947,727 per annum, payable in equal monthly installments of \$78,977 each on the first day of each such calendar month commencing on January 1, 1984.

(b) For each lease year beginning on January 1, 1999, and ending on December 31, 2012, an amount equal to

115% of the annual payments of principal and interest on any mortgage indebtedness of Landlord with respect to the Land and the Improvements, any such indebtedness not to exceed \$5,355,800 in principal amount, payable in equal monthly installments during the remaining term of this agreement.

Section 2.02. The Net Rent shall be in addition to all other payments to be made by Tenant as hereinafter provided and shall be paid to Landlord without notice or demand and without abatement, deduction or setoff.

ARTICLE III

Use of Premises, Repair and Maintenance

Section 3.01. The Land and the Improvements shall be used only for the operation of an office building by Tenant and for no other purpose without the express written consent of Landlord. Tenant shall conform with all applicable statutes, ordinances, rules and regulations, and shall defend, indemnify and hold Landlord harmless from all expenses, liabilities or claims of liability by reason of any violations thereof.

Section 3.02. Tenant, at its sole cost and expense, shall keep and maintain the Land and the Improvements and all

appurtenances thereto, and the parking areas, roadways, sidewalks and other passageways, to the extent they are subject to the control of Tenant and each and every part thereof, in good order and repair and in an attractive, safe and sanitary condition.

Section 3.03. Tenant, at its sole cost and expense, may make such alterations, improvements, additions and new construction, structural or otherwise, in and to the Land and the Improvements and may erect or install in connection therewith additional structures, improvements, fixtures, machinery and equipment; provided, however, that any such alterations, improvements, additions and construction shall not change the general character of the Land and the Improvements or adversely affect their market value. Any fixtures, equipment, machinery and other property erected or installed on the Land and the Improvements and used in the operation of the Tenant's business shall remain the property of the Tenant.

Section 3.04. Except in connection with its obligations in connection with the erection of the Improvements, Landlord shall not be required to furnish any service or facilities or to make any repair or alterations in or to the Land or the Improvements throughout the term of this agreement.

ARTICLE IV

Mechanics' Liens

Section 4.01. Tenant shall keep the Land and the Improvements free and clear of mechanics' liens and other liens of a similar nature which may arise in connection with the work of any character performed on the Land or the Improvements by or at the direction or sufferance of Tenant, other than in connection with the erection of the Improvements. In the case of all erection, construction, alterations or repairs involving \$5,000 or more, Tenant shall cause a no-lien agreement which shall specifically protect the interests of Landlord, Tenant and the owner of the fee of the Land to be executed by the party performing such work before any work is begun or materials delivered to the Land. If, despite such no-lien agreement, or in the case of construction involving less than \$5,000, one or more mechanics' liens are filed against the interest of Landlord, Tenant or such owner of the Land, Tenant shall notify Landlord thereof promptly and either pay the amount claimed or otherwise obtain the discharge of such lien promptly. On final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered with all proper costs and charges and shall have the judgment satisfied and lien released of record at Tenant's expense. If

any such lien shall be placed on the Land or the Improvements and the same ripen into a judgment which becomes final, Landlord, at its option, may pay any such final judgment and clear the Land or the Improvements and any monies so expended by Landlord on account of any such judgment from its own funds shall be repaid by Tenant to Landlord forthwith upon demand, and in every such instance the legality and validity of any such payment to the full amount paid or expended by Landlord and the regularity of all proceedings had in respect thereof or toward the enforcement thereof shall, as between Landlord and Tenant, be conclusively deemed to exist.

ARTICLE V

Taxes and Assessments and Utility Charges; Interruption of Utility Services

Section 5.01. Tenant shall reimburse Landlord for all taxes, assessments and levies paid by Landlord, whether general or special, ordinary or extraordinary, of every nature or kind whatsoever, whether imposed by the Commonwealth of Pennsylvania or any political subdivision thereof, upon or against this agreement or all or any part of the Improvements or the occupancy, use or possession thereof; provided, however, that any such amounts for the first and last year of the term

hereof shall be prorated between the parties. Tenant shall promptly reimburse Landlord for such amount immediately following demand by Landlord. The responsibility for the payment of all taxes, assessments and levies upon or against all or any part of the Land, or the occupancy, use or possession thereof shall be that of the owner of the fee of the Land.

Section 5.02. Nothing herein contained shall be construed to require Tenant to pay any transfer, estate, inheritance, succession, or gift tax or taxes imposed in respect of any transfer, devise or gift of any interest of Landlord or of its successors or assigns in the Land or the Improvements, nor any income tax imposed in respect to Landlord's income from the Land or the Improvements.

Section 5.03. Tenant shall have the right to contest in the name of the Landlord the legality or validity of any of the taxes, assessments or levies herein provided to be reimbursed to Landlord. In the event that any such contest is made by Tenant, Landlord shall cooperate with Tenant therein by promptly executing all required documents and taking such other actions as are reasonably required to enable Tenant to prosecute such contest. Tenant shall, within five days after final determination of such contest adversely to Tenant, fully

reimburse Landlord for any amount involved in or affected by any such contest, together with all penalties, fines, interest, costs or expenses that may have accrued thereon or that may result from any such action by Tenant.

Section 5.04. If permitted under the laws and regulations relating thereto, the Land shall be assessed for the purposes of taxation in the name of the owner of the fee and the Improvements shall be assessed in the name of Landlord.

Section 5.05. Landlord shall promptly deliver to the owner of the fee any and all tax notices or assessments which it may receive relating to the Land and Tenant shall deliver to Landlord any such notice or assessments which it may receive relating to the Improvements.

Section 5.06. Tenant shall pay directly to the public utility companies or governmental bodies or authorities all charges for utilities in connection with its use or occupancy of the Land or the Improvements and shall indemnify Landlord against liability therefor. If any such charges are not paid when due, Landlord may at its option pay same, and any amounts so paid by Landlord shall be paid by Tenant to Landlord immediately upon demand therefor. Tenant shall show to Landlord upon request receipts for utility charges paid by Tenant.

Section 5.07. Landlord shall not be liable to Tenant or to anyone claiming under, by or through Tenant for the quality or quantity, or for any failure or interruption, of any utility service being furnished to Tenant by a public utility company or governmental body or authority, and no such failure or interruption shall be a breach of this agreement or otherwise entitle Tenant to terminate this agreement.

ARTICLE VI

Public Liability and Property Damage

Section 6.01. Tenant shall protect, indemnify and save harmless Landlord from and against any and all losses, damages, costs, expenses, liabilities, claims, demands and causes of action of any nature whatsoever, and any expenses incidental to the defense thereof by Landlord for injury to or death of persons or loss or damage to property occurring on the Land or the Improvements or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Land or the Improvements or any part thereof by Tenant or any person or persons invited, suffered or permitted by Tenant to go or to be in or upon the Land or the Improvements.

Section 6.02. As security for the foregoing but in no wise as a limitation thereupon, Tenant shall, at its sole cost and expense, procure and keep in effect during the term of this agreement the following insurance policies with insurance companies satisfactory to Landlord.

(a) Comprehensive general public liability insurance against any and all claims or demands whatsoever arising out of or in any way connected with the operation and use of the Land and the Improvements by Tenant with minimum limits of \$500,000 for injury or death of one person in each accident or occurrence and \$1,000,000 for injury to or death of more than one person in each accident or occurrence and \$250,000 for property damage in each accident or occurrence.

(b) Workmen's compensation insurance and any other insurance as shall be required by any statute, ordinance, rule or regulation of any governmental body in connection with the operation and use of the Land or the Improvements by Tenant.

(c) Any other insurance which Landlord shall reasonably require to protect itself against any liability assumed by Tenant under this agreement or in connection

with the use and occupancy by Tenant of the Land or the Improvements.

(d) Landlord and the owner of the fee of the Land shall be named as additional insureds on all such insurance policies without cost or expense to Landlord or such owner and copies or certificates of all such policies shall be delivered to Landlord. Such policies shall further require that at least ten (10) days' notice of cancellation be sent to Landlord and the owner of the fee.

(e) If Tenant shall fail to obtain or maintain any such insurance, Landlord may, at its option, obtain or maintain any such insurance and Tenant shall reimburse Landlord for the cost thereof immediately upon demand therefor.

(f) Notwithstanding the foregoing, Tenant may be a self-insurer to such extent as Tenant may reasonably desire, subject to any insurance requirements of the Mortgage.

ARTICLE VII

Fire Insurance

Section 7.01. Tenant, at its sole cost and expense, will keep the Improvements insured against loss by fire and other casualties in an amount sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss, subject to any applicable deductible. Such insurance shall be carried with responsible insurance companies and in amounts reasonably acceptable to Landlord and the holder of the Mortgage. Subject to the rights of the holder of the Mortgage, the policies evidencing such insurance shall be so issued as to cover the several interests of Landlord and Tenant and shall provide that in case of loss or damage the proceeds of such insurance shall be payable to Tenant. Such proceeds shall be held by Tenant under the provisions of Section 8.02 hereof.

Section 7.02. The policy or policies evidencing all insurance which Tenant is required to provide and maintain in effect hereunder shall be delivered to Landlord from time to time as issued, except that certificates of insurance may be substituted for such policy or policies, and if Tenant shall fail to provide, maintain or pay for any of the insurance hereinabove provided for, Landlord may, at its option, procure such insurance. Any sums paid out by Landlord for any such

insurance shall be repaid by Tenant to Landlord immediately upon demand therefor.

ARTICLE VIII

Damage or Destruction

Section 8.01. In the event of any fire or other casualty to the Improvements resulting in substantial damage or destruction to the Improvements, Tenant shall have the option of (a) restoring, repairing, rebuilding or altering the Improvements, or (b) terminating this agreement by written notice to Landlord within 90 days of such damage or destruction. In the event Tenant elects to restore, repair or rebuild the Improvements, Tenant shall promptly commence the work and shall pursue the same diligently to completion. Upon the termination of this agreement by reason of such damage or destruction, the Net Rent provided to be paid by Tenant shall be apportioned and paid to the date of such termination. In the absence of such termination by Tenant no damage or destruction of the Improvements or any part thereof by fire or other casualty shall terminate or permit Tenant to surrender this agreement, or shall release Tenant from its liability to pay the full Net Rent and other amounts payable hereunder, and Tenant waives any rights now or hereafter conferred upon it by

statute or otherwise to quit or surrender this agreement or the Land or any part hereof, or to any suspension, diminution, abatement or reduction of rent on account of any such destruction or damage.

Section 8.02. In the event of the termination of this agreement by reason of the damage to or destruction of the Improvements or any part thereof by fire or other casualty as provided in Section 8.01 hereof, Tenant shall be entitled to all the proceeds, if any, of casualty insurance with respect to the Improvements and Tenant shall pay to the holder of the Mortgage the amount then required to pay in full and discharge the Mortgage. In such event, Landlord by appropriate instrument of assignment shall convey, assign and transfer and set over unto Tenant good, marketable and unencumbered title to the interests of the Landlord in the Land and the Improvements. In the absence of termination of this agreement in the event of such fire or other casualty, the Tenant shall be entitled to all the proceeds of such casualty insurance.

ARTICLE IX

Condemnation

Section 9.01. In the event that all or substantially all the Land and Improvements shall be taken in condemnation

proceedings or by exercise of any right of eminent domain or by agreement between Landlord and Tenant, and those authorized to exercise such right, this agreement shall terminate and expire on the date of such taking and the Net Rent provided to be paid by Tenant shall be apportioned and paid to the date of such taking. For the purposes of this Section "substantially all the Land and Improvements" shall be deemed to have been taken if the portion of the Land and Improvements not so taken, and taking into consideration the amount of the net award available for such purpose, cannot be so repaired or reconstructed as to constitute a complete structure capable of being operated, practically and economically by Tenant for an office building. In such event, Tenant and the owner of the fee shall be entitled to collect from any condemnor the entire award that may be made in any such proceeding and Tenant and such owner of the fee shall pay to the holder of the Mortgage the amount then required to pay in full and discharge the Mortgage. Landlord shall execute any and all further documents that may be required in order to facilitate collection by Tenant of any and all such award and by appropriate instrument of assignment shall convey, assign, transfer and set over unto Tenant good, marketable and unencumbered title to the interest of the Landlord in the Land and the Improvements.

Section 9.02. If at any time during the term of this agreement, less than substantially all the Land and Improvements shall be taken as aforesaid, out of the award or awards collected, there shall be first set aside for the owner of the fee the fair market value as determined in said proceeding of the Land so taken, with the Tenant entitled to any balance. In such event, Tenant shall continue to pay in full the Net Rent and other amounts payable hereunder without reduction or abatement and no such taking shall terminate or permit the Tenant to surrender this agreement.

ARTICLE X

Covenants Run With the Land

Section 10.01. All covenants, agreements and engagements contained in this agreement shall be construed as covenants running with the land, and all rights given to and obligations imposed on the respective parties shall be construed as inuring to and binding upon the successors in interest and assigns of the parties hereto.

ARTICLE XI

Defaults and Remedies

Section 11.01. The occurrence of any one or more of the following events shall constitute a default or breach of this agreement by Tenant if the same shall continue for 20 days (10 days in the case of subparagraphs (a) and (c)) following notice thereof from Landlord to Tenant:

(a) The failure of Tenant to pay, when due, all or any part of the Net Rent or other sums payable hereunder.

(b) The failure of Tenant to observe or perform any of the other covenants, conditions or agreements of this agreement to be kept, observed or performed by Tenant upon the expiration of any period specifically allowed therefor in this agreement, provided, however, that Tenant shall be deemed to have complied with such notice so long as it has commenced to comply with such notice within the period set forth therein and is diligently attempting to comply with such notice.

(c) The making by Tenant of any assignment for the benefit of creditors, the adjudication that Tenant is bankrupt or insolvent, the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a

petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within 60 days after the filing thereof), the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located on the Land or in the Improvements, or of Tenant's interest in this agreement (unless possession is restored to Tenant within 60 days after such appointment), or the attachment, execution or levy against, or other judicial seizure of, substantially all of Tenant's assets located in or upon the Land or the Improvements or of Tenant's interest in this agreement (unless the same is discharged within 60 days after issuance thereof).

Section 11.02. In the event of any default or breach of this agreement by Tenant there shall become immediately due and payable as rent under this agreement, as if by the terms hereof same were all payable in advance, a sum equal to all Net Rent for all calendar years and fractions thereof remaining in the balance of the term of this agreement as of the date of default. Tenant shall be obligated for such accelerated rent regardless of which, if any, of the remedies provided in Section 11.03 hereof or provided by law or equity Landlord shall elect to pursue.

Section 11.03. In the event of any default or breach of this agreement by Tenant, Landlord, at its option, may terminate this agreement upon and by giving written notice of termination to Tenant, or Landlord without terminating this agreement may at any time after such default or breach, without notice or demand additional to that provided in Section 11.01 hereof, enter the Land and the Improvements, with or without process of law and, without thereby incurring any liability to Tenant, take possession of the Land and the Improvements and of all personal property of every kind on the Land and the Improvements. Landlord may thereupon at any time, and from time to time, (i) collect the rent and profits which may otherwise accrue to Tenant from the use, enjoyment and operation of the Land and the Improvements, or (ii) relet the Land and the Improvements, or any part thereof, for the account of Tenant for such term, upon such condition and at such rents as Landlord may deem proper. All rents so collected by Landlord shall first be applied against such expenses as Landlord may have incurred in taking or recovering possession of the Land and the Improvements, making the same in good order and condition, altering or repairing same for any reletting and such other expenses, commissions and charges including attorney's fees as Landlord may have paid or incurred in connection with any of the foregoing, and the balance shall be

applied against such accelerated rents. Any tenants making such payment to Landlord shall be under no obligation to see to the application by Landlord of such rents nor shall Tenant have any right to collect any rents after such default for so long as the same shall continue. Tenant hereby waives the benefits of any statutes now in force or hereafter enacted exempting any property of any kind or value from levy and sale for rent.

11.04. All remedies provided in this agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided in this agreement or by law or equity. For purposes of the remedies of the Landlord, any sums payable by the Tenant in addition to the Net Rent shall be deemed additional rent hereunder.

ARTICLE XII

Option to Purchase

Section 12.01. Landlord hereby grants to Tenant the option to purchase good, marketable and unencumbered title to (a) the leasehold interest of Landlord in the Land and (b) the Improvements, for a purchase price payable in cash and the assumption by Tenant of, and the release of Landlord from, all obligations of Landlord under the Land Lease. Tenant may exercise such option on the 15th, 20th or 25th anniversaries of

the date hereof, upon 90 days written notice to Landlord, and the sale and purchase contemplated hereby shall take place within 120 days after the expiration of the lease year in which the option is exercised.

Section 12.02. The purchase price provided in Section 12.01 shall be the fair market value of the Improvements in their then condition as determined by a board of three real estate appraisers, each of which shall be members of the American Institute of Real Estate Appraisers or the American Society of Appraisers and shall have had at least ten years' experience in commercial real estate appraisal. One each of such appraisers shall be appointed by the Landlord and Tenant and the two so appointed shall appoint the third appraiser. All costs and expenses of such appraisers, together with any costs, taxes and recording fees applicable to the transfer of the leasehold interest of Landlord and the Improvements to Tenant shall be paid by Tenant. For purposes of this Section, fair market value shall mean the price at which such property in its then condition unencumbered by this agreement and the Mortgage would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell. Notwithstanding the foregoing, in no event shall said

purchase price be less than the amount then required to pay in full and discharge the Mortgage, nor shall any such purchase divest the lien of the Mortgage unless it has otherwise been discharged.

ARTICLE XIII

Waiver

Section 13.01. Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenants, agreements or obligations, nor shall any forbearance by Landlord to seek a remedy for any breach be deemed a waiver by Landlord of its rights or remedies with respect to such breach.

ARTICLE XIV

Estoppel Certificates

Section 14.01. Each party agrees that at any time and from time to time, within 20 days following written request from the other party, the party so requested shall execute and deliver to the other party a statement certifying that this agreement is in full force and effect and unmodified (or if

there have been modifications, stating such), certifying the dates to which the Net Rent has been paid; and certifying whether or not, to the best of the knowledge of the party signing such certificate, the other party has failed or refused to perform any obligation contained in this agreement, and if so, specifying the same.

Section 14.02. The failure of either party to furnish such statement within such 20 day period shall be deemed to be an acknowledgment, by the party requested to give such statement, to any person entitled to rely thereon, that this agreement is in full force and effect and is unmodified, that such Net Rent has been duly and fully paid to and including the respective due dates immediately preceding the date of such request, and that the party requesting such statement has performed all obligations contained in this agreement to the date of such request.

ARTICLE XV

Termination

Section 15.01. Unless Tenant exercises the option provided in Article XII hereof, or the Improvements are conveyed to Tenant as provided in Article VIII or Article IX hereof, at the termination of this agreement for any reason,

Tenant and the tenants and subtenants under Tenant, and any and all persons holding or claiming under Tenant, shall surrender possession of the Land and the Improvements to Landlord, maintained as herein provided for, ordinary wear and tear and depreciation and damage by fire or other casualty excepted, and free of any and all claim thereto by Tenant or any party holding under Tenant.

Section 15.02. At any time during the term of this agreement, or upon termination for any reason and provided Tenant is not then in default hereunder, Tenant and the tenants and subtenants under Tenant and any and all persons holding or claiming under Tenant shall have the right to remove from the Land and the Improvements all their fixtures, equipment, machinery and all other property, provided, however, that Tenant or the person so removing such property shall repair any damage to the Land and Improvements by the removal thereof.

ARTICLE XVI

Invalidity of Particular Provisions

Section 16.01. If any term or provision of this agreement or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of this agreement, or the application of such

term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this agreement shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE XVII

Notices

Section 17.01. All notices, demands and requests required under this agreement shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if served personally, or if sent by United States registered mail, postage prepaid, addressed as hereinafter provided. All such notices, demands and requests mailed to Landlord shall be addressed to Landlord at One NorthShore Center, Pittsburgh, Pennsylvania 15212, or at such other address (and addressed to the attention of such officer or other person) as Landlord may from time to time designate by written notice to Tenant. All such notices, demands and requests mailed to Tenant shall be addressed to Tenant at One Oxford Centre, 301 Grant Street, Pittsburgh, Pennsylvania 15279, or at such other address (and addressed to the attention of such officer or other person) as Tenant may from time to time designate by written notice to Landlord.

Section 17.02. Notices, demands and requests which shall be served by registered mail upon Landlord and Tenant in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed by United States registered mail as aforesaid in any post office or branch post office regularly maintained by the United States Postal Service.

ARTICLE XVIII

Condition of and Title to Property; Quiet Enjoyment

Section 18.01. Landlord covenants and agrees that Tenant, upon payment of the Net Rent and other sums herein provided for and observing and keeping all covenants, agreements and conditions of this agreement on its part to be observed and kept, shall quietly have and enjoy the Land and the Improvements during the term of this agreement without hindrance or molestation by anyone claiming by or through Landlord, subject, however, to the exceptions, reservations and conditions of this agreement.

ARTICLE XIX

Arbitration and Waiver of Jury Trial

Section 19.01. Except as otherwise provided in this Article all disputes arising between Landlord and Tenant under this agreement shall be subject to arbitration in accordance with the provisions of this Article. All such disputes shall be submitted to the American Arbitration Association or its successor, and all proceedings shall be conducted according to its rules except that the arbitrator shall be an attorney. No action at law or in equity in connection with any such dispute shall be brought until the arbitrator shall have rendered a decision in connection with such dispute or until arbitration thereof shall have been waived, either expressly or pursuant to Section 19.03 hereof.

Section 19.02. Tenant shall have no right to arbitrate with reference to the payment or non-payment of Net Rent.

Section 19.03. All disputes subject to arbitration in accordance with this Article shall be raised by notice to the other party, which notice shall state with particularity the nature of the dispute and the demand for relief, making specific reference, by Article, Section and paragraph, to the

provisions of this agreement alleged to give rise to the dispute. Such notice shall also refer to this Article and shall state whether the party giving notice demands arbitration. If no demand for arbitration is contained in such notice, the party against whom relief is sought shall have the right to give written demand for arbitration under this Section to the other party within 30 days after such notice. Unless one of the parties thus demands arbitration, the provisions of this Article shall be deemed to have been waived.

Section 19.04. During any arbitration proceeding pursuant to this Article, the parties shall continue to perform and discharge all their respective obligations under this agreement. The performance of any obligation hereunder shall not be excused merely because a demand for arbitration affecting that performance has been made, nor shall a party exercise, prior to the rendering of a decision by the arbitrator in connection with such dispute, or prior to the expiration of any period of time established by the arbitrator for compliance with his decision, any other remedy which would destroy the efficacy of the arbitration proceeding.

Section 19.05. Landlord and Tenant shall and do hereby waive trial by jury in any action, proceeding or counterclaim arising out of or in any way connected with this agreement.

ARTICLE XX

Disposition Contract

Section 20.01. This agreement is subject to the terms and conditions set forth in the Disposition Contract between the Urban Redevelopment Authority of Pittsburgh and Tenant dated March 30, 1976, which is incorporated herein by reference thereto, and if there is any conflict in the terms and conditions of this agreement and said Disposition Contract, then the terms and conditions of the Disposition Contract shall control.

ARTICLE XXI

Miscellaneous

Section 21.01. Immediately following the execution and delivery of this agreement, Landlord and Tenant shall execute, acknowledge and deliver the memorandum of lease in the form set forth in Exhibit I attached hereto and made a part hereof and shall cause the same to be recorded, at the cost of Landlord, in the office of the Recorder of Deeds of Allegheny County, Pennsylvania.

Section 21.02. The captions of this agreement and the table of contents preceding this agreement are for

convenience and reference only and in no way define, limit or describe the scope or intent hereof.

Section 21.03. It is the intention of the parties hereto that as long as the Mortgage shall be outstanding the estate acquired hereunder by Tenant shall not merge with or into any other estate, whether lesser or greater, in the Land now held or hereafter acquired by Tenant or by any disclosed or undisclosed principal of Tenant.

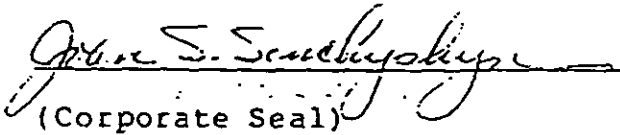
Section 21.04. As used in this agreement, the words "term of this agreement" shall mean the original term hereof or any holdover period of the original term.

Section 21.05. This agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.


Section 21.06. The covenants and agreements herein contained shall bind and inure to the benefits of Landlord, its successors and assigns, and Tenant, its successors and assigns, except as otherwise provided herein.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease and Sublease Agreement the day and year first above written.

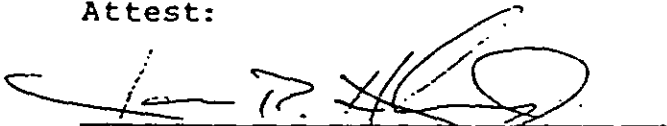
Attest:


(Corporate Seal)

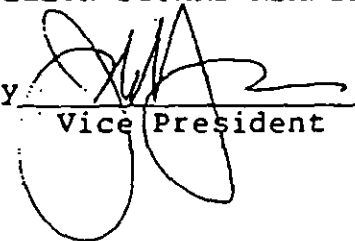
DUQUESNE LIGHT COMPANY

By 
Chairman of the Board
and President

Attest:


Assistant Secretary
(Corporate Seal)

MELLON-STUART REALTY CO.

By 
Vice President

APPENDIX A

BEING a portion of Parcel 8-B of the Urban Redevelopment Authority of Pittsburgh Woods Run Redevelopment Project, Penna. R-285 (part of Redevelopment Area No. 15), situate in the 27th Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, more particularly bounded and described as follows:

BEGINNING at a point on the Westerly line of a 30 foot private road and the dividing line of Lots 4 and 5 of the Revised Subdivision for Duquesne Light Company Plan of Lots; thence by said dividing line the following three (3) courses and distances: South $61^{\circ} 49' 01''$ West, 152.05 feet; South $28^{\circ} 10' 59''$ East, 11.29 feet and South $61^{\circ} 49' 01''$ West, 183.22 feet to a point on line of land of the Pittsburgh and Western Railroad; thence by line of land of said Railroad, North $33^{\circ} 43' 52''$ West, 217.70 feet to a point on the dividing line of Lot 5 and Parcel A; thence by said dividing line the following two (2) courses and distances: North $55^{\circ} 24' 43''$

East, 35.43 feet and North 76° 32' 00"
East, 332.00 feet to a point on the
Westerly line of a 30 foot private road;
thence along said Westerly line of private
road, South 28° 10' 59" East, 125.00 feet
to a point at the place of beginning.

CONTAINING 1.40 acres.

BEING Lot No. 5 in the Revised
Subdivision for Duquesne Light Company Plan
of Lots as recorded in the Recorder's
Office of Allegheny County, Pennsylvania in
Plan Book Volume 127, page 193.

TOGETHER with the non-exclusive right
in common with Landlord and its successors
and assigns to use as a means of access and
for the installation of gas, electric,
water, sewer and other utilities, a private
road, 30 feet wide, leading to Doerr
Street, the centerline of said 30 foot
private road being more particularly
located and more particularly described as
follows:

Appendix A

BEGINNING at a point on the Southerly right-of-way line of Doerr Street which point is distant the following four (4) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974 in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North $28^{\circ} 10' 59''$ West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving to the left having a radius of 25 feet an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South $76^{\circ} 00' 15''$ West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr

Street, South 79° 17' 13" West, 58.842 feet to a point being the true point of beginning; thence from said true point of beginning by a line through land of which this is a part, said line being the centerline of the 30 foot private road, South 28° 10' 59" East, 280.04 feet to a point which point is distant North 61° 49' 01" East, 15.00 feet from the Southeast corner of the premises hereinabove described.

Appendix A

EXHIBIT I

MADE AND ENTERED INTO for the purpose of recording in accordance with the Act of June 2, 1959, P.L. 454 §2, 21 Purdon's Stat. Ann. §405, the 29th day of December, 1983, by and between MELLON-STUART REALTY CO., a Pennsylvania business corporation, and DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation, parties to the Lease and Sublease Agreement dated December 29, 1983, (hereinafter sometimes called the "Lease and Sublease"), as follows:

I. The name of the lessor in the Lease and Sublease is Mellon-Stuart Realty Co., a Pennsylvania business corporation.

II. The name of the lessee in the Lease and Sublease is Duquesne Light Company, a Pennsylvania business corporation.

III. The address of Mellon-Stuart Realty Co. is One NorthShore Center, Pittsburgh, Pennsylvania 15212; and the address of Duquesne Light Company is One Oxford Centre, 301 Grant Street, Pittsburgh, Pennsylvania 15279.

IV. The date of the Lease and Sublease is December 29, 1983.

V. The demised premises as described in the Lease and Sublease consist of a lease of the improvements erected on and a sublease of the leasehold interest of the lessor in the following property:

BEGINNING at a point on the Westerly line of a 30 foot private road and the dividing line of Lots 4 and 5 of the Revised Subdivision for Duquesne Light Company Plan of Lots; thence by said dividing line the following three (3) courses and distances: South 61° 49' 01" West, 152.05 feet; South 28° 10' 59" East, 11.29 feet and South 61° 49' 01" West, 183.22 feet to a point on line of land of the Pittsburgh and Western Railroad; thence by line of land of said Railroad, North 33° 43' 52" West, 217.70 feet to a point on the dividing line of Lot 5 and Parcel A; thence

by said dividing line the following two (2) courses and distances: North 55° 24' 43" East, 35.43 feet and North 76° 32' 00" East, 332.00 feet to a point on the Westerly line of a 30 foot private road; thence along said Westerly line of private road, South 28° 10' 59" East, 125.00 feet to a point at the place of beginning.

TOGETHER with the non-exclusive right in common with Landlord and its successors and assigns to use as a means of access and for the installation of gas, electric, water, sewer and other utilities, a private road, 30 feet wide, leading to Doerr Street, the centerline of said 30 foot private road being more particularly located and more particularly described as follows:

BEGINNING at a point on the Southerly right-of-way line of Doerr Street which point is distant the following four (4) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974 in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North 28° 10' 59" West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving to the left having a radius of 25 feet an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South 76° 00' 15" West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr Street, South 79° 17' 13" West, 58.842 feet to a point being the true point of beginning; thence from said true point of beginning by a line through land of which

Exhibit I

this is a part said line being the centerline of the 30 foot private road, South 28° 10' 59" East, 280.04 feet to a point which point is distant North 61° 49' 01" East, 15.00 feet from the Southeast corner of the premises hereinabove described.

VI. The date of the commencement of the term of the Lease and Sublease is January 1, 1984.

VII. The term of the Lease and Sublease commences January 1, 1984 and expires on December 31, 2012, unless sooner terminated in accordance with the provisions of the Lease and Sublease or otherwise by law.

VIII. The Lease and Sublease contain no renewal options.

IX. The lessee has the right to purchase the leasehold interest of the lessor and the improvements erected thereon on the 15th, 20th or 25th anniversaries from the date hereof.

IN WITNESS WHEREOF, the parties to the Lease and Sublease have executed this Memorandum of Lease and Sublease as of the day and year first above written.

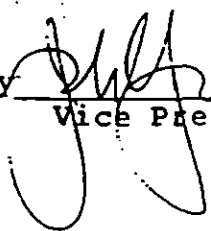
Attest:



Abstract Secretary


(Corporate Seal)

MELLON STUART REALTY CO.

By 

Vice President

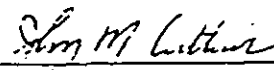
Attest:



Secretary

(Corporate Seal)

DUQUESNE LIGHT COMPANY

By 

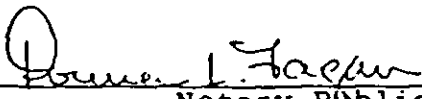
Chairman of the Board
and President

Exhibit I

COMMONWEALTH OF PENNSYLVANIA)
) ss:
COUNTY OF ALLEGHENY)

On this the 29 day of December, 1983, before me a Notary Public personally appeared John A. Johnston, who acknowledged himself to be a Vice President of MELLON-STUART REALTY CO., a Pennsylvania business corporation, that he as such officer, being authorized to do so, executed the foregoing Memorandum of Lease and Sublease for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

My Commission Expires:

DONNA L. FAGAN, NOTARY PUBLIC
MT. LEBANON TWP., ALLEGHENY COUNTY
MY COMMISSION EXPIRES DEC. 1, 1986
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA)
) ss:
COUNTY OF ALLEGHENY)

On this the 29TH day of December, 1983 before me a Notary Public, personally appeared JOHN M. ARTHUR, who acknowledged himself to be CH. OF THE BOARD & PRES. of DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation, that he, as such officer, being authorized to do so, executed the foregoing Memorandum of Lease and Sublease for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

My Commission Expires:

HENRY G. STOECKER, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires
February 20, 1986

EXHIBIT II

EXHIBIT II

MADE AND ENTERED INTO for the purpose of recording in accordance with the Act of June 2, 1959, P.L. 454 §2, 21 Purdon's Stat. Ann. §405, the 29th day of December, 1983, by and between DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation, and MELLON-STUART REALTY CO., a Pennsylvania corporation, parties to the Land Lease Agreement dated December 29, 1983 (hereinafter sometimes called the "Land Lease"); as follows:

I. The name of the lessor in the Land Lease is Duquesne Light Company, a Pennsylvania business corporation.

II. The name of the lessee in the Land Lease is Mellon-Stuart Realty Co., a Pennsylvania corporation.

III. The address of Duquesne Light Company is One Oxford Centre, 301 Grant Street, Pittsburgh, Pennsylvania 15279; and the address of Mellon-Stuart Realty Co. is One NorthShore Center, Pittsburgh, Pennsylvania 15212.

IV. The date of the Land Lease is December 29, 1983.

V. The demised premises as described in the Land Lease are as follows:

BEGINNING at a point on the Westerly line of a 30 foot private road and the dividing line of Lots 4 and 5 of the Revised Subdivision for Duquesne Light Company Plan of Lots; thence by said dividing line the following three (3) courses and distances: South 61° 49' 01" West, 152.05 feet; South 28° 10' 59" East, 11.29 feet and South 61° 49' 01" West, 183.22 feet to a point on line of land of the Pittsburgh and Western Railroad; thence by line of land of said Railroad, North 33° 43' 52" West, 217.70 feet to a point on the dividing line of Lot 5 and Parcel A; thence by said dividing line the following two (2) courses and distances: North 55° 24' 43" East, 35.43 feet and North 76° 32' 00"

East, 332.00 feet to a point on the Westerly line of a 30 foot private road; thence along said Westerly line of private road, South 28° 10' 59" East, 125.00 feet to a point at the place of beginning.

TOGETHER with the non-exclusive right in common with Landlord and its successors and assigns to use as a means of access and for the installation of gas, electric, water, sewer and other utilities, a private road, 30 feet wide, leading to Doerr Street, the centerline of said 30 foot private road being more particularly located and more particularly described as follows:

BEGINNING at a point on the Southerly right-of-way line of Doerr Street which point is distant the following four (4) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974 in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North 28° 10' 59" West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving to the left having a radius of 25 feet an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South 76° 00' 15" West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr Street, South 79° 17' 13" West, 58.842 feet to a point being the true point of beginning; thence from said true point of beginning by a line through land of which this is a part said line being the centerline of the 30 foot private road, South 28° 10' 59" East, 280.04 feet to a

Exhibit II

point, which point is distant North 61° 49' 01" East, 15.00 feet from the Southeast corner of the premises hereinabove described.

VI. The date of the commencement of the term of the Land Lease is January 1, 1984.

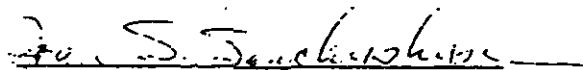
VII. The term of the land Lease commences on January 1, 1984 and expires on December 31, 2033, unless sooner terminated in accordance with the provisions of the Land Lease or otherwise by law.

VIII. The Land Lease contains no renewal options.

IX. The lessee has no right of purchase of or refusal on the demised premises or any part thereof.

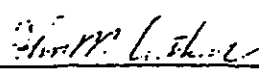
IN WITNESS WHEREOF, the parties to the Land Lease Agreement have executed this Memorandum of Lease the day and year first above written.

Attest:


Secretary

[Corporate Seal]

DUQUESNE LIGHT COMPANY

By 
Chairman of the Board
and President

Attest:


Secretary

[Corporate Seal]

MELLON-STUART REALTY CO.

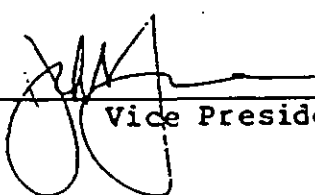
By 
Vice President

Exhibit II

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this, the 29TH day of December, 1983, before me, a Notary Public, personally appeared JOHN M. ARTHUR, CHAIRMAN OF THE BOARD AND PRESIDENT of DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation, and that he, as such officer, being authorized to do so, executed the foregoing Memorandum of Lease for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

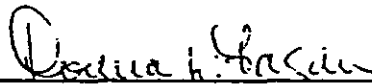
Henry G. Stoecker
Notary Public

My Commission Expires:
HENRY G. STOECKER, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires
February 29, 1986

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this, the 29 day of December, 1983, before me, a Notary Public, personally appeared John A. Johnson, who acknowledged himself to be a Vice President of MELLON-STUART REALTY CO., a Pennsylvania business corporation, and that he, as such officer, being authorized to do so, executed the foregoing Memorandum of Lease for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

My Commission Expires:

DONNA L. FAGAN, NOTARY PUBLIC
ST. LEBANON TWP., ALLEGHENY COUNTY
MY COMMISSION EXPIRES DEC. 1, 1986
Member, Pennsylvania Association of Notaries



Legal Unit
One Oxford Centre
301 Grant Street
Pittsburgh, Pennsylvania 15279
(412) 393-6000
FAX: (412) 393-6645

Writer's DIRECT DIAL Number:

(412) 393-6129

February 8, 1994

BY FAX

Richard C. Montgomery, Esquire
Kirkpatrick & Lockhart
1500 Oliver Building
Pittsburgh, PA 15222-5379

Dear Richard:

Thank you for your proposed Termination Agreement and three Lessee's Statements.

Regarding the "Termination Agreement" I have four concerns:

1. The first recital states that "Duquesne, Carnegie, World and the Escrow Agent are parties to that certain Rental Payment Agreement dated November 1, 1990." However, nothing I have seen indicates that Duquesne signed such an agreement.
2. The copy of the Rental Payment Agreement that you sent over to me is dated November 6, 1990 and not November 1, 1993.
3. Paragraph 5 of the Rental Payment Agreement provides that "[t]his Agreement may not be amended or modified except by the express written agreement of the parties hereto and the express written agreement of Barnett Bank of Central Florida, N.A." However, Barnett Bank is not a party to the Termination Agreement.

DELIVERING
QUALITY
ENERGY

Richard C. Montgomery, Esquire
February 8, 1994
Page 2

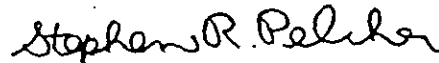
4. Duquesne has been making payments to Kirkpatrick & Lockhart pursuant to the attached letter from Carnegie Properties dated February 14, 1991.

Without further explanation, Duquesne cannot sign the Termination Agreement in its present form.

Regarding the "LESSEE'S STATEMENT" beginning "The undersigned has received notice that The Penn Mutual Life", at paragraph 10 there is reference to "the Parking Easement Agreement (see enclosure). We would appreciate having an opportunity to review a copy of that Agreement.

Thank you for your attention to this matter.

Very truly yours,



Stephen R. Pelcher

SRP/bmn:227

Enclosures

c: William C. Fields (w/enclosures)
✓ James P. Boyle (w/enclosures)

TERMINATION AGREEMENT

THIS AGREEMENT, by and between DUQUESNE LIGHT COMPANY ("Duquesne"), a Pennsylvania corporation, CARNEGIE PROPERTIES, INC. ("Carnegie"), a Pennsylvania corporation, WORLD SAVINGS & LOAN ASSOCIATION ("World") (successor to The Western Savings Fund Society and Meritor Savings Bank) and KIRKPATRICK & LOCKHART ("Escrow Agent").

WHEREAS, Duquesne, Carnegie, World and the Escrow Agent are parties to that certain Rental Payment Agreement dated November 1, 1990.

WHEREAS, said parties desire to terminate the Rental Payment Agreement.

NOW, THEREFORE, the Rental Payment Agreement is hereby terminated effective on February __, 1994.

IN WITNESS WHEREOF as of the ____ day of February 1994.

DUQUESNE LIGHT COMPANY, INC.

By: _____

CARNEGIE PROPERTIES, INC.

By: _____
Robert L. Purvis, President

KIRKPATRICK & LOCKHART

By: _____
Richard C. Montgomery,
Partner

WORLD SAVINGS & LOAN
ASSOCIATION, successor to Meritor
Savings Bank and The Western
Savings Fund Society.

By: _____

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

Before me the undersigned authority duly authorized under the laws of the Commonwealth of Pennsylvania, to take acknowledgements this day personally appeared _____ of DUQUESNE LIGHT COMPANY, INC.

Witness my hand and official seal in the County and State last aforesaid this _____ day of February 1994.

Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

Before me the undersigned authority duly authorized under the laws of the Commonwealth of Pennsylvania, to take acknowledgements this day personally appeared ROBERT L. PURVIS, President of CARNEGIE PROPERTIES, INC.

Witness my hand and official seal in the County and State last aforesaid this _____ day of February 1994.

Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

Before me the undersigned authority duly authorized under the laws of the Commonwealth of Pennsylvania, to take acknowledgements this day personally appeared RICHARD C. MONTGOMERY, ESQ., a partner of KIRKPATRICK & LOCKHART.

Witness my hand and official seal in the County and State last aforesaid this _____ day of February 1994.

Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

Before me the undersigned authority duly authorized under the laws of the Commonwealth of Pennsylvania, to take acknowledgements this day personally appeared _____, _____ of WORLD SAVINGS & LOAN ASSOCIATION.

Witness my hand and official seal in the County and State last aforesaid this _____ day of February 1994.

Notary Public

My Commission Expires:

SUBSTATIONS AND SHOPS CENTRAL DISTRICT HEADQUARTERS
LEASE AND SUBLEASE AGREEMENT

MELLON-STUART REALTY CO.
Landlord

DUQUESNE LIGHT COMPANY
Tenant

Dated As of June 1, 1977

SUBSTATIONS AND SHOPS
CENTRAL DISTRICT HEADQUARTERS
LEASE AND SUBLEASE AGREEMENT

TABLE OF CONTENTS

	<u>Page</u>
PARTIES	1
RECITALS	1
<u>ARTICLE I CONSTRUCTING THE IMPROVEMENTS AND INSTALLATION OF EQUIPMENT</u>	
Section 1.01	3
Section 1.02	3
Section 1.03	3
<u>ARTICLE II RENT</u>	
Section 2.01	3
Section 2.02	4
<u>ARTICLE III USE OF PREMISES, REPAIR AND MAINTENANCE</u>	
Section 3.01	4
Section 3.02	5
Section 3.03	5
Section 3.04	5
<u>ARTICLE IV MECHANICS' LIENS</u>	
Section 4.01	5
<u>ARTICLE V TAXES AND ASSESSMENTS AND UTILITY CHARGES, INTERRUPTION OF UTILITY SERVICES</u>	
Section 5.01	7
Section 5.02	7
Section 5.03	7
Section 5.04	8
Section 5.05	8
Section 5.06	8
Section 5.07	8
<u>ARTICLE VI PUBLIC LIABILITY AND PROPERTY DAMAGE</u>	
Section 6.01	9
Section 6.02	9

ARTICLE VII FIRE INSURANCE

Section 7.01 11
Section 7.02 11

ARTICLE VIII DAMAGE OR DESTRUCTION

Section 8.01 11
Section 8.02 12

ARTICLE IX CONDEMNATION

Section 9.01 13
Section 9.02 13

ARTICLE X COVENANTS RUN WITH THE LAND

Section 10.01 14

ARTICLE XI DEFAULTS AND REMEDIES

Section 11.01 14
Section 11.02 15
Section 11.03 16
Section 11.04 17

ARTICLE XII OPTIONS TO RENEW

Section 12.01 17

ARTICLE XIII OPTION TO PURCHASE

Section 13.01 17
Section 13.02 18

ARTICLE XIV WAIVER

Section 14.01 19

ARTICLE XV ESTOPPEL CERTIFICATES

Section 15.01 19
Section 15.02 20

ARTICLE XVI TERMINATION

Section 16.01 20
Section 16.02 20

	<u>Page</u>
<u>ARTICLE XVII INVALIDITY OF PARTICULAR PROVISIONS</u>	
Section 17.01	21
<u>ARTICLE XVIII NOTICES</u>	
Section 18.01	21
Section 18.02	22
<u>ARTICLE XIX CONDITION OF AND TITLE TO PROPERTY QUIET ENJOYMENT</u>	
Section 19.01	22
<u>ARTICLE XX ARBITRATION AND WAIVER OF JURY TRIAL</u>	
Section 20.01	22
Section 20.02	23
Section 20.03	23
Section 20.04	23
Section 20.05	24
<u>ARTICLE XXI DISPOSITION CONTRACT</u>	
Section 21.01	24
<u>ARTICLE XXII MISCELLANEOUS</u>	
Section 22.01	24
Section 22.02	25
Section 22.03	25
Section 22.04	25
Section 22.05	25
Section 22.06	25

APPENDIX A
EXHIBIT I

SUBSTATIONS AND SHOPS CENTRAL DISTRICT HEADQUARTERS
LEASE AND SUBLEASE AGREEMENT

THIS AGREEMENT made and entered into as of the 1st day of June, 1977, by and between MELLON-STUART REALTY CO., a Pennsylvania business corporation (hereinafter sometimes called the "Landlord"), party of the first part;

A
N
D

DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation (hereinafter sometimes called the "Tenant"), party of the second part.

WITNESSETH:

WHEREAS, by Land Lease Agreement dated as of March 30, 1976 (hereinafter, together with any amendments or modifications, sometimes called the "Land Lease"), Landlord has leased from Tenant, a certain piece or parcel of land situate in the 27th Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, and more particularly described in Appendix A attached hereto and made a part hereof (hereinafter sometimes called the "Land");

WHEREAS, Landlord has erected on the Land certain improvements for Tenant consisting of a Substations and Shops Central District Headquarters (hereinafter sometimes called the "Improvements") in accordance with drawings and specifications prepared by James S. Campbell, such plans and specifications being incorporated herein by reference thereto;

WHEREAS, Tenant is desirous of subleasing from Landlord the Land and of leasing from Landlord the Improvements and Landlord is willing to sublease and lease the same to Tenant upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises, Landlord and Tenant, intending to be legally bound hereby, do agree that Landlord, for and in consideration of the rents, covenants and agreements hereinafter reserved on the part of Tenant to be paid, kept and performed, does hereby demise and lease to Tenant and Tenant does hereby take and hire from Landlord (a) the Improvements, (b) the leasehold estate of the Landlord in the Land, and (c) all the right, title and interest of Landlord in and to any appurtenances thereto, subject to the terms and provisions of the Land Lease and that certain mortgage dated June 15, 1977 (hereinafter sometimes called the "Mortgage"), securing a promissory note in the principal amount of \$500,000 from Landlord to The Western Saving Fund Society of Philadelphia, ad valorem taxes and assessments, zoning ordinances and all matters of record, to have and to hold the Improvements, such leasehold estate and appurtenances, subject as aforesaid, unto Tenant for a term commencing on June 15, 1977, and expiring on the thirty-first day of December, 2007, unless this agreement shall sooner terminate as hereinafter provided, or shall be renewed as hereinafter provided, upon the following covenants, agreements, terms, provisions, conditions and limitations as follows:

ARTICLE I

Constructing the Improvements
and Installation of Equipment

Section 1.01 Landlord, entirely at its own cost and expense and without charge or obligation to Tenant, in accordance with the plans, specifications, schedules and designs of James S. Campbell as hereinbefore described, shall complete construction of the Improvements on the Land.

Section 1.02 Tenant, entirely at its own cost and expense and without charge or obligation to Landlord, shall provide and install all machinery and equipment deemed by Tenant to be necessary for the operation of the Improvements as a Substations and Shops Central District Headquarters.

Section 1.03 Title to the Improvements shall at all times during the term of this agreement be vested in Landlord and title to any change, restoration, repair, replacement, rebuilding or alteration thereof during the term made by Landlord shall vest in Landlord which shall have and own the sole depreciable interest in the Improvements, and such change, restoration, repair, replacement, rebuilding or alteration thereof.

ARTICLE II

Rent

Section 2.01 Tenant covenants and agrees to pay to Landlord in such coin or currency of the United States of America as at the time of

payment shall be legal tender for the payment of public and private debts, at the principal office of Landlord, 1425 Beaver Avenue, Pittsburgh, Pennsylvania 15233, or at such other place as Landlord may from time to time specify by notice given pursuant to Section 18.01 hereof, and to the attention of such officer or other person as Landlord may by like notice from time to time designate, during the term, net rent (hereinafter sometimes called the "Net Rent") of Fifty-four Thousand Eight Hundred Seventy-one Dollars (\$54,871) per annum.

Such Net Rent shall be in addition to all other payments to be made by Tenant as hereinafter provided and shall be paid in equal monthly installments of Four Thousand Five Hundred Seventy-two and Fifty-eight One-Hundredth Dollars (\$4,572.58), each on the first day of each calendar month during the term of this agreement commencing on August 1, 1977.

Section 2.02 The Net Rent shall be paid to Landlord without notice or demand and without abatement, deduction or setoff.

ARTICLE III

Use of Premises, Repair and Maintenance

Section 3.01 The Land and the Improvements shall be used only for the operation of a Substations and Shops Central District Headquarters by Tenant and for no other purpose without the express written consent of Landlord. Tenant shall conform with all applicable statutes, ordinances, rules and regulations, and shall defend, indemnify and hold Landlord harmless from all expenses, liabilities or claims of liability by reason of any violations thereof.

Section 3.02 Tenant, at its sole cost and expense, shall keep and maintain the Land and the Improvements and all appurtenances thereto, and the parking areas, roadways, sidewalks and other passageways, to the extent they are subject to the control of Tenant and each and every part thereof, in good order and repair and in an attractive, safe and sanitary condition.

Section 3.03 Tenant, at its sole cost and expense, may make such alterations, improvements, additions and new construction, structural or otherwise, in and to the Land and the Improvements and may erect or install in connection therewith additional structures, improvements, fixtures, machinery and equipment; provided, however, that any such alterations, improvements, additions and construction shall not change the general character of the Land and the Improvements or adversely affect their market value. Any fixtures, equipment, machinery and other property erected or installed on the Land and the Improvements and used in the operation of the Tenant's business shall remain the property of the Tenant.

Section 3.04 Except in connection with its obligations to erect the Improvements, Landlord shall not be required to furnish any services or facilities or to make any repair or alterations in or to the Land or the Improvements throughout the term of this agreement.

ARTICLE IV

Mechanics' Liens

Section 4.01 Tenant shall keep the Land and the Improvements free and clear of mechanics' liens and other liens of a similar nature which

may arise in connection with the work of any character performed on the Land or the Improvements by or at the direction or sufferance of Tenant, other than in connection with the erection of the Improvements. In the case of all erection, construction, alterations or repairs involving Five Thousand Dollars (\$5,000.00) or more, Tenant shall cause a no-lien agreement which shall specifically protect the interests of Landlord, Tenant and the owner of the fee of the Land to be executed by the party performing such work before any work is begun or materials delivered to the Land. If, despite such no-lien agreement, or in the case of construction involving less than Five Thousand Dollars (\$5,000.00), one or more mechanics' liens are filed against the interest of Landlord, Tenant or such owner of the Land, Tenant shall notify Landlord thereof promptly and either pay the amount claimed or otherwise obtain the discharge of such lien promptly. On final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered with all proper costs and charges and shall have the judgment satisfied and lien released of record at Tenant's expense. If any such lien shall be placed on the Land or the Improvements and the same ripen into a judgment which becomes final, Landlord, at its option, may pay any such final judgment and clear the Land or the Improvements and any monies so expended by Landlord on account of any such judgment from its own funds shall be repaid by Tenant to Landlord forthwith upon demand, and in every such instance the legality and validity of any such payment to the full amount paid or expended by Landlord and the regularity of all proceedings had in respect thereof or toward the enforcement thereof shall, as between Landlord and Tenant, be conclusively deemed to exist.

ARTICLE V

Taxes and Assessments and Utility
Charges; Interruption of Utility
Services

Section 5.01 Tenant shall reimburse Landlord for all taxes, assessments and levies paid by Landlord, whether general or special, ordinary or extraordinary, of every nature or kind whatsoever, whether imposed by the Commonwealth of Pennsylvania or any political subdivision thereof, upon or against this agreement or all or any part of the Improvements or the occupancy, use or possession thereof; provided, however, that any such amounts for the first and last year of the term hereof shall be prorated between the parties. Tenant shall promptly reimburse Landlord for such amount immediately following demand by Landlord. The responsibility for the payment of all taxes, assessments and levies upon or against all or any part of the Land, or the occupancy, use or possession thereof shall be that of the owner of the fee of the Land.

Section 5.02 Nothing herein contained shall be construed to require Tenant to pay any transfer, estate, inheritance, succession, or gift tax or taxes imposed in respect of any devise or gift of any interest of Landlord or of its successors or assigns in the Land or the Improvements, nor any income tax imposed in respect to Landlord's income from the Land or the Improvements.

Section 5.03 Tenant shall have the right to contest in the name of Landlord the legality or validity of any of the taxes, assessments or levies herein provided to be reimbursed to Landlord. In the event that any such contest is made by Tenant, Landlord shall cooperate with Tenant therein by promptly executing all required documents and taking such other actions as are reasonably required to enable Tenant to prosecute such contest. Tenant shall, within five (5) days after final determination of such contest adversely to Tenant, fully reimburse Landlord for any amount involved in or affected by any such contest, together with all penalties, fines, interests, costs or expenses that may have accrued thereon or that may result from any such action by Tenant.

Section 5.04 If permitted under the laws and regulations relating thereto, the Land shall be assessed for the purposes of taxation in the name of the owner of the fee and the Improvements shall be assessed in the name of Landlord.

Section 5.05 Landlord shall promptly deliver to the owner of the fee any and all tax notices or assessments which it may receive relating to the Land and Tenant shall deliver to Landlord any such notice or assessments which it may receive relating to the Improvements.

Section 5.06 Tenant shall pay directly to the public utility companies or governmental bodies or authorities all charges for utilities in connection with its use or occupancy of the Land or the Improvements and shall indemnify Landlord against liability therefor. If any such charges are not paid when due, Landlord may at its option pay same, and any amounts so paid by Landlord shall be paid by Tenant to Landlord immediately upon demand therefor. Tenant shall show to Landlord upon request receipts for utility charges paid by Tenant.

Section 5.07 Landlord shall not be liable to Tenant or to anyone claiming under, by or through Tenant for the quality or quantity, or for any failure or interruption, of any utility service being furnished to Tenant by a public utility company or governmental body or authority, and no such failure or interruption shall be breach of this agreement or otherwise entitle Tenant to terminate this agreement.

ARTICLE VI

Public Liability and
Property Damage

Section 6.01 Tenant shall protect, indemnify and save harmless Landlord from and against any and all losses, damages, costs, expenses, liabilities, claims, demands and causes of action of any nature whatsoever, and any expenses incidental to the defense thereof by Landlord for injury to or death of persons or loss or damage to property occurring on the Land or the Improvements or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Land or the Improvements or any part thereof by Tenant or any person or persons invited, suffered or permitted by Tenant to go or to be in or upon the Land or the Improvements.

Section 6.02 As security for the foregoing but in no wise as a limitation thereupon, Tenant shall, at its sole cost and expense, procure and keep in effect during the term or terms of this agreement the following insurance policies with insurance companies satisfactory to Landlord:

(a) Comprehensive general public liability insurance against any and all claims or demands whatsoever arising out of or in any way connected with the operation and use of the Land and the Improvements by Tenant with minimum limits of Five Hundred Thousand Dollars (\$500,000.00) for injury or death of one person in each accident or occurrence and One Million Dollars (\$1,000,000.00) for injury to or death of more than one person in each accident or occurrence and Two Hundred Fifty Thousand Dollars (\$250,000.00) for property damage in each accident or occurrence.

(b) Workmen's compensation insurance and any other insurance as shall be required by any statute, ordinance, rule or regulation of any governmental body in connection with the operation and use of the Land or the Improvements by Tenant.

(c) Any other insurance which Landlord shall reasonably require to protect itself against any liability assumed by Tenant under this agreement or in connection with the use and occupancy by Tenant of the Land or the Improvements.

(d) Landlord and the owner of the fee of the Land shall be named as additional insureds on all such insurance policies without cost or expense to Landlord or such owner and copies or certificates of all such policies shall be delivered to Landlord. Such policies shall further require that at least ten (10) days' notice of cancellation be sent to Landlord and the owner of the fee.

(e) If Tenant shall fail to obtain or maintain any such insurance, Landlord may, at its option, obtain or maintain any such insurance and Tenant shall reimburse Landlord for the cost thereof immediately upon demand therefor.

(f) Notwithstanding the foregoing, Tenant may be a self-insurer to such extent as Tenant may reasonably desire, subject to any insurance requirements of the Mortgage.

ARTICLE VII

Fire Insurance

Section 7.01 Tenant, at its sole cost and expense, will keep the Improvements insured against loss by fire in an amount sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss, subject to any applicable deductible. Such insurance shall be carried with responsible insurance companies and in amounts reasonably acceptable to Landlord and the holder of the Mortgage. Subject to the rights of the holder of the Mortgage, the policies evidencing such insurance shall be so issued as to cover the several interests of Landlord and Tenant and shall provide that in case of loss or damage the proceeds of such insurance shall be payable to Tenant. Such proceeds shall be held by Tenant under the provisions of Section 8.02 hereof.

Section 7.02 The policy or policies evidencing all insurance which Tenant is required to provide and maintain in effect hereunder shall be delivered to Landlord from time to time as issued, except that certificates of insurance may be substituted for such policy or policies, and if Tenant shall fail to provide, maintain or pay for any of the insurance hereinabove provided for, Landlord may, at its option, procure such insurance. Any sums paid out by Landlord for any such insurance shall be repaid by Tenant to Landlord immediately upon demand therefor.

ARTICLE VIII

Damage or Destruction

Section 8.01 In the event of any fire or other casualty to the Improvements resulting in substantial damage or destruction to the Improvements, Tenant shall have the option of (a) restoring, repairing, rebuilding or altering

the Improvements, or (b) terminating this agreement by written notice to Landlord within ninety (90) days of such damage or destruction. Upon the termination of this agreement by reason of such damage or destruction, the Net Rent provided to be paid by Tenant shall be apportioned and paid to the date of such termination. In the absence of such termination by Tenant no damage or destruction of the Improvements or any part thereof by fire or other casualty shall terminate or permit Tenant to surrender this agreement, or shall release Tenant from its liability to pay the full Net Rent and other amounts payable hereunder, and Tenant waives any rights now or hereafter conferred upon it by statute or otherwise to quit or surrender this agreement or the Land or any part hereof, or to any suspension, diminution, abatement or reduction of rent on account of any such destruction or damage.

Section 8.02 In the event of the termination of this agreement by reason of the damage to or destruction of the Improvements or any part thereof by fire or other casualty as provided in Section 8.01 hereof, Tenant shall be entitled to all the proceeds, if any, of casualty insurance with respect to the Improvements and Tenant shall pay to the holder of the Mortgage the amount then required to pay in full and discharge the Mortgage. In such event, Landlord by appropriate instrument of assignment shall convey, assign and transfer and set over unto Tenant good, marketable and unencumbered title to the interests of the Landlord in the Land and the Improvements. In the absence of termination of this agreement in the event of such fire or other casualty, the Tenant shall be entitled to all the proceeds of such casualty insurance.

ARTICLE IX

Condemnation

Section 9.01 In the event that all or substantially all the Land and Improvements shall be taken in condemnation proceedings or by exercise of any right of eminent domain or by agreement between Landlord and Tenant, and those authorized to exercise such right, this agreement shall terminate and expire on the date of such taking and the Net Rent provided to be paid by Tenant shall be apportioned and paid to the date of such taking. For the purposes of this Section "substantially all the Land and Improvements" shall be deemed to have been taken if the portion of the Land and Improvements not so taken, and taking into consideration the amount of the net award available for such purpose, the Improvements cannot be so repaired or reconstructed as to constitute a complete structure capable of being operated, practically and economically by Tenant for a Substations and Shops Central District Headquarters. In such event, Tenant and the owner of the fee shall be entitled to collect from any condemnor the entire award that may be made in any such proceeding and Tenant and such owner of the fee shall pay to the holder of the Mortgage the amount then required to pay in full and discharge the Mortgage. Landlord shall execute any and all further documents that may be required in order to facilitate collection by Tenant of any and all such award and by appropriate instrument of assignment shall convey, assign, transfer and set over unto Tenant good, marketable and unencumbered title to the interest of the Landlord in the Land and the Improvements.

Section 9.02 If at any time during the term of this agreement, less than substantially all the Land and Improvements shall be taken as aforesaid, out

of the award or awards collected, there shall be first set aside for the owner of the fee the fair market value as determined in said proceeding of the Land so taken, with the Tenant entitled to any balance. In such event, Tenant shall continue to pay in full the Net Rent and other amounts payable hereunder without reduction or abatement and no such taking shall terminate or permit the Tenant to surrender this agreement.

ARTICLE X

Covenants Run With the Land

Section 10.01 All covenants, agreements and engagements contained in this agreement shall be construed as covenants running with the land, and all rights given to and obligations imposed on the respective parties shall be construed as inuring to and binding upon the successors in interest and assigns of the parties hereto.

ARTICLE XI

Defaults and Remedies

Section 11.01 The occurrence of any one or more of the following events shall constitute a default or breach of this agreement by Tenant if the same shall continue for thirty (30) days following notice thereof from Landlord to Tenant:

(a) The failure of Tenant to pay, when due, all or any part of the Net Rent or other sums payable hereunder.

(b) The failure of Tenant to observe or perform any of the other covenants, conditions or agreements of this agreement to be kept, observed or performed by Tenant upon the expiration of any period specifically allowed therefor in this agreement, provided,

however, that Tenant shall have deemed to have complied with such notice so long as it has commenced to comply with such notice within the period set forth therein and is diligently attempting to comply with such notice.

(c) The making by Tenant of any assignment for the benefit of creditors, the adjudication that Tenant is bankrupt or insolvent, the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days after the filing thereof), the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located on the Land or in the Improvements, or of Tenant's interest in this agreement (unless possession is restored to Tenant within sixty (60) days after such appointment), or the attachment, execution or levy against, or other judicial seizure of, substantially all of Tenant's assets located in or upon the Land or the Improvements or of Tenant's interest in this agreement (unless the same is discharged within sixty (60) days after issuance thereof).

Section 11.02 In the event of any default or breach of this agreement by Tenant there shall become immediately due and payable as rent under this agreement, as if by the terms hereof same were all payable in advance, a sum equal to all Net Rent for all calendar years and fractions thereof remaining in the balance of the term of this agreement

as of the date of default. Tenant shall be obligated for such accelerated rent regardless of which, if any, of the remedies provided in Section 11.03 hereof or provided by law or equity Landlord shall elect to pursue.

Section 11.03 In the event of any default or breach of this agreement by Tenant, Landlord, at its option, may terminate this agreement upon and by giving written notice of termination to Tenant, or Landlord without terminating this agreement may at any time after such default or breach, without notice or demand additional to that provided in Section 11.01 hereof, enter the Land and the Improvements, with or without process of law and, without thereby incurring any liability to Tenant, take possession of the Land and the Improvements and of all personal property of every kind on the Land and the Improvements. Landlord may thereupon at any time, and from time to time, (i) collect the rent and profits which may otherwise accrue to Tenant from the use, enjoyment and operation of the Land and the Improvements, or (ii) relet the Land and the Improvements, or any part thereof, for the account of Tenant for such term, upon such condition and at such rents as Landlord may deem proper. All rents so collected by Landlord shall first be applied against such expenses as Landlord may have incurred in taking or recovering possession of the Land and the Improvements, taking the same in good order and condition, altering or repairing same for any reletting and such other expenses, commissions and charges including attorney's fees as Landlord may have paid or incurred in connection with any of the foregoing, and the balance shall be applied against such accelerated rents. Any tenants making such payment to Landlord shall be under no obligation to see to the application by Landlord of such rents nor shall Tenant have any right to collect any rents after such default for so long as the same shall continue. Tenant hereby waives the benefits of any statutes now in force or hereafter enacted exempting any property of any kind or value from levy and sale for rent.

11.04 All remedies provided in this agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided in this agreement or by law or equity. For purposes of the remedies of the Landlord, any sums payable by the Tenant in addition to the Net Rent shall be deemed additional rent hereunder.

ARTICLE XIII

Options to Renew

12.01 If this agreement shall be in force and effect on the date hereof specified for the expiration of the original term, Tenant shall be entitled to a renewal of the term hereby granted for four additional renewal terms of five (5) years each, the first renewal term beginning with the expiration of the original term and the second, third and fourth renewal terms beginning with the expiration of the preceding renewal term; provided that Tenant shall have given Landlord at least one (1) year notice of such election to renew, but in no event more than two (2) years prior to the date of the expiration of the original term in the case of the first renewal or more than two (2) years prior to the expiration of the preceding renewal term in the case of the second, third and fourth renewal terms. Each renewal term shall be upon the same terms and conditions as those contained herein with respect to the original term.

ARTICLE XIII

Option to Purchase

Section 13.01 Landlord hereby grants to Tenant the option to purchase good, marketable and unencumbered title to (a) the leasehold interest of

Landlord in the Land and (b) the Improvements for a purchase price payable in cash and the assumption by Tenant of, and the release of Landlord from, all obligations of Landlord under the Land Lease. Tenant may exercise such option by giving written notice to Landlord at any time during the term of this agreement following the tenth anniversary of the date hereof and the sale and purchase contemplated hereby shall take place within thirty (30) days after the expiration of the lease year in which the option is exercised.

Section 13.02 The purchase price provided in Section 13.01 shall be the fair market value of the Improvements in their then condition as determined by a board of three real estate appraisers, each of which shall be members of the American Institute of Real Estate Appraisers or the American Society of Appraisers and shall have had at least ten years' experience in commercial real estate appraisal. One each of such appraisers shall be appointed by the Landlord and Tenant and the two so appointed shall appoint the third appraiser. All costs and expenses of such appraisers, together with any costs, taxes and recording fees applicable to the transfer of the leasehold interest of Landlord and the Improvements to Tenant shall be paid by Tenant. For purpose of this Section, fair market value shall mean the price at which such property in its then condition unencumbered by this agreement and the Mortgage would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell. Notwithstanding the foregoing, in no event shall said purchase price be less than the amount then required to pay in full and discharge the Mortgage.

ARTICLE XIV

Waiver

Section 14.01 Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenants, agreements or obligations, nor shall any forbearance by Landlord to seek a remedy for any breach be deemed a waiver by Landlord of its rights or remedies with respect to such breach.

ARTICLE XV

Estoppel Certificates

Section 15.01 Each party agrees that at any time and from time to time, within twenty (20) days following written request from the other party, the party so requested shall execute and deliver to the other party a statement certifying that this agreement is in full force and effect and unmodified (or if there have been modifications, stating such), certifying the dates to which the Net Rent has been paid; and certifying whether or not, to the best of the knowledge of the party signing such certificate, the other party has failed or refused to perform any obligation contained, in this agreement, and if so, specifying the same.

Section 15.02 The failure of either party to furnish such statement within such twenty (20) day period shall be deemed to be an acknowledgment, by the party requested to give such statement, to any person entitled to rely thereon, that this agreement is in full force and effect and is unmodified, that such Net Rent has been duly and fully paid to and including the respective due dates immediately preceding the date of such request, and that the party requesting such statement has performed all obligations contained in this agreement to the date of such request.

ARTICLE XVI

Termination

Section 16.01 Unless Tenant exercises the option provided in Article XIII hereof, or as provided in Article VIII or Article IX hereof, at the termination of this agreement for any reason, Tenant and the tenants and subtenants under Tenant, and any and all persons holding or claiming under Tenant, shall surrender possession of the Land and the Improvements to Landlord, maintained as herein provided for, ordinary wear and tear and depreciation and damage by fire or other casualty excepted, and free of any and all claim there- to by Tenant or any party holding under Tenant.

Section 16.02 At any time during the term of this agreement, or upon termination for any reason and provided Tenant is not then in default hereunder, Tenant and the tenants and subtenants under Tenant and any and all persons holding or claiming under Tenant shall have the right to remove from the Land and the Improvements all their fixtures, equipment, machinery and all other property, provided, however, that Tenant or the person so removing such property shall repair any damage to the Land and Improvements by the removal thereof.

ARTICLE XVII

Invalidity of Particular Provisions

Section 17.01 If any term or provision of this agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this agreement shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE XVIII

Notices

Section 18.01 All notices, demands and requests required under this agreement shall be in writing. All such notices, demands and requests shall be deemed to have been properly given if served personally, or if sent by United States registered mail, postage prepaid, addressed as hereinafter provided. All such notices, demands and requests mailed to Landlord shall be addressed to Landlord at 1425 Beaver Avenue, Pittsburgh, Pennsylvania 15233, or at such other address (and addressed to the attention of such officer or other person) as Landlord may from time to time designate by written notice to Tenant. All such notices, demands and requests mailed to Tenant shall be addressed to Tenant at 435 Sixth Avenue, Pittsburgh, Pennsylvania 15219, or at such other address (and addressed to the attention of such officer or other person) as Tenant may from time to time designate by written notice to Landlord.

Section 18.02 Notices, demands and requests which shall be served by registered mail upon Landlord and Tenant in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed by United States registered mail as aforesaid in any post office or branch post office regularly maintained by the United States Postal Service.

ARTICLE XIX

Condition of and Title to Property Quiet Enjoyment

Section 19.01 Landlord covenants and agrees that Tenant, upon payment of the Net Rent and other sums herein provided for and observing and keeping all covenants, agreements and conditions of this agreement on its part to be observed and kept, shall quietly have and enjoy the Land and the Improvements during the term of this agreement without hindrance or molestation by anyone claiming by, or through Landlord, subject, however, to the exceptions reservations and conditions of this agreement.

ARTICLE XX

Arbitration and Waiver of Jury Trial

Section 20.01 Except as otherwise provided in this Article, all disputes arising between Landlord and Tenant under this agreement shall be subject to arbitration in accordance with the provisions of this Article. All such disputes shall be submitted to the American Arbitration Association or its successor, and all proceedings shall be conducted

according to its rules except that the arbitrator shall be an attorney. No action at law or in equity in connection with any such dispute shall be brought until the arbitrator shall have rendered a decision in connection with such dispute or until arbitration thereof shall have been waived, either expressly or pursuant to Section 20.03 hereof.

Section 20.02 Tenant shall have no right to arbitrate with reference to the payment or non-payment of Net Rent unless on or before the due date thereof a written claim or setoff, specifying the ground therefor, has been given by Tenant to Landlord.

Section 20.03 All disputes subject to arbitration in accordance with this Article shall be raised by notice to the other party, which notice shall state with particularity the nature of the dispute and the demand for relief, making specific reference, by Article, Section and paragraph, to the provisions of this agreement alleged to give rise to the dispute. Such notice shall also refer to this Article and shall state whether the party giving notice demands arbitration. If no demand for arbitration is contained in such notice, the party against whom relief is sought shall have the right to give written demand for arbitration under this Section to the other party within thirty (30) days after such notice. Unless one of the parties thus demands arbitration, the provisions of this Article shall be deemed to have been waived.

Section 20.04 During any arbitration proceeding pursuant to this Article, the parties shall continue to perform and discharge all their respective obligations under this agreement. The performance of any obligation here-

under shall not be excused merely because a demand for arbitration affecting that performance has been made, nor shall a party exercise, prior to the rendering of a decision by the arbitrator in connection with such dispute, or prior to the expiration of any period of time established by the arbitrator for compliance with his decision, any other remedy which would destroy the efficacy of the arbitration proceeding.

Section 20.05 Landlord and Tenant shall and do hereby waive trial by jury in any action, proceeding or counterclaim arising out of or in any way connected with this agreement.

ARTICLE XXI

Disposition Contract

Section 21.01 This agreement is subject to the terms and conditions set forth in the Disposition Contract between the Urban Redevelopment Authority of Pittsburgh and Tenant dated March 30, 1976, which is incorporated herein by reference thereto, and if there is any conflict in the terms and conditions of this agreement and said Disposition Contract, then the terms and conditions of the Disposition Contract shall control.

ARTICLE XXII

Miscellaneous

Section 22.01 Immediately following the execution and delivery of this agreement, Landlord and Tenant shall execute, acknowledge and deliver the memorandum of lease in the form set forth in Exhibit I attached hereto and made a part hereof and shall cause the same to be recorded, at the cost of Landlord, in the office of the Recorder of Deeds of Allegheny County, Pennsylvania.

Section 22.02 The captions of this agreement and the table of contents preceding this agreement are for convenience and reference only and in no way define, limit or describe the scope or intent hereof.

Section 22.03 It is the intention of the parties hereto that as long as the Mortgage shall be outstanding the estate acquired hereunder by Tenant shall not merge with or into any other estate, whether lesser or greater, in the Land now held or hereafter acquired by Tenant or by any disclosed or undisclosed principal of Tenant.

Section 22.04 As used in this agreement, the words "term of this agreement" shall mean the original term hereof and any renewal term for which Tenant has exercised its option to renew as provided in Article XII hereof, or any holdover period of the original term or any renewal term.

Section 22.05 This agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Section 22.06 The covenants and agreements herein contained shall bind and inure to the benefits of Landlord, its successors and assigns, and Tenant, its successors and assigns, except as otherwise provided herein.


IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease and Sublease Agreement the day and year first above written.

Attest:


Secretary

[Corporate Seal]

Attest:


Asst. Secretary

[Corporate Seal]

DUQUESNE LIGHT COMPANY

RSC
6-15-77

By


John M. Arthur
CHAIRMAN OF THE BOARD
AND CHIEF EXECUTIVE OFFICER

MELLON-STUART REALTY CO.

By


Vice President

PROPERTY DESCRIPTION

BEING a portion of Parcel No. 8-A of the Urban Redevelopment Authority of Pittsburgh Woods Run Redevelopment Project, Penna. R-285 (part of Redevelopment Area No. 15), situate in the 27th Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, more particularly bounded and described as follows:

BEGINNING at a point which point is distant the following six (6) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974, in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North $28^{\circ} 10' 59''$ West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving to the left having a radius of 25 feet an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South $76^{\circ} 00' 15''$ West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr Street, South $79^{\circ} 17' 13''$ West, 58.842 feet to a point; (5) thence by a line through land of which this is a part, said line being the centerline of a private road, 30 feet in width, South $28^{\circ} 10' 59''$ East, 617.285 feet, (6) thence by a line through said 30 foot private road, South $61^{\circ} 49' 01''$ West, 15.00 feet to a point in the Westerly

line of said 30 foot private road and being the true point of beginning of the leased premises; thence from said true point of beginning by the Westerly side of said 30 foot private road, South 28° 10' 59" East, 333.64 feet; thence by line of land, now or formerly of Allegheny Drop Forge Company, South 75° 59' 00" West, 286.74 feet to a point on line of land of the Pittsburgh and Western Railroad; thence by line of said Railroad, North 33° 43' 52" West, 264.71 feet to a point; thence by a line through land of which this is a part, North 61° 49' 01" East, 303.61 feet to a point, at the place of beginning. Containing 1.98 acres.

TOGETHER WITH the right to use in common with the Landlord and others for the term of the lease as a means of access to and from the leased premises a private road, 30 feet wide, leading from the leased premises to Doerr Street, the centerline of said 30 foot private road being more particularly located and more particularly described as follows:

BEGINNING at a point on the Southerly right-of-way line of Doerr Street which point is distant the following four (4) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974 in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North 28° 10' 59" West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving to the left having a radius of 25 feet

an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South $76^{\circ} 00' 15''$ West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr Street, South $79^{\circ} 17' 13''$ West, 58.842 feet to a point being the true point of beginning; thence from said true point of beginning by a line through land of which this is a part said line being the centerline of the 30 foot private road, South $28^{\circ} 10' 59''$ East, 954.705 feet to a point on the line of land, now or formerly of Allegheny Drop Forge Company.

The above descriptions were prepared in accordance with a Plan of Survey prepared and certified by T. B. McAuliffe, Professional Engineer, dated September 9, 1976, last revised, April 12, 1977, being Drawing No. R. E. 2580-LL-7171.

MEMORANDUM OF LEASE AND SUBLEASE

MADE AND ENTERED INTO for the purpose of recording in accordance with the Act of June 2, 1959, P.L. 454 §2, 21 Purdon's Stat. Ann §405, as of the 1st day of June, 1977, by and between MELLON-STUART REALTY, CO., a Pennsylvania business corporation, and DUQUESNE LIGHT COMPANY, a Pennsylvania business corporation, parties to the Lease and Sublease Agreement dated as of June 1, 1977, (hereinafter sometimes called the "Lease and Sublease"), as follows:

I. The name of the lessor in the Lease and Sublease is Mellon-Stuart Realty Co., a Pennsylvania business corporation.

II. The name of the lessee in the Lease and Sublease is Duquesne Light Company, a Pennsylvania business corporation.

III. The address of Mellon-Stuart Realty Co. is 1425 Beaver Avenue, Pittsburgh, Pennsylvania 15233; and the address of Duquesne Light Company is 435 Sixth Avenue, Pittsburgh, Pennsylvania 15219.

IV. The date of the Lease and Sublease is as of June 1, 1977.

V. The demised premises as described in the Lease and Sublease consist of a lease of the Improvements erected on and a sublease of the leasehold interest of Mellon-Stuart Realty Co. in the following property:

BEING a portion of Parcel No. 8-A of the Urban Redevelopment Authority of Pittsburgh Woods Run Redevelopment Project, Penna. R-285 (part of Redevelopment Area No. 15), situate in the 27th Ward of the City of Pittsburgh, Allegheny County, Pennsylvania, more particularly bounded and described as follows:

BEGINNING at a point which point is distant the following six (6) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny Drop Forge Company by deed dated August 1, 1974 and recorded August 2, 1974, in Deed Book Volume 5372, page 181, viz: (1) along the Westerly right-of-way line of New Beaver Avenue, North 28° 10' 59" West, 931.610 feet to a point of curve; (2) in a general Westerly direction by the arc of a circle curving

to the left having a radius of 25 feet an arc distance of 33.080 feet to a point on the Southerly right-of-way line of Doerr Street (50 feet wide); (3) thence along the Southerly right-of-way line of Doerr Street, South 76° 00' 15" West, 361.011 feet to an angle point; (4) thence continuing along the Southerly right-of-way line of Doerr Street, South 79° 17' 13" West, 58.842 feet to a point, (5) thence by a line through land of which this is a part, said line being the centerline of a private road, 30 feet in width, South 28° 10' 59" East, 617.285 feet, (6) thence by a line through said 30 foot private road, South 61° 49' 01" West, 15.00 feet to a point in the Westerly line of said 30 foot private road and being the true point of beginning of the leased premises; thence from said true point of beginning by the Westerly side of said 30 foot private road, South 28° 10' 59" East, 333.64 feet; thence by line of land, now or formerly of Allegheny Drop Forge Company, South 75° 59' 00" West, 286.74 feet to a point on line of land of the Pittsburgh and Western Railroad; thence by line of said Railroad, North 33° 43' 52" West, 264.71 feet to a point; thence by a line through land of which this is a part, North 61° 49' 01" East, 303.61 feet to a point, at the place of beginning. Containing 1.98 acres.

Together with the right to use in common with Duquesne Light Company and others said private road as a means of access to and from the premises to Doerr Street, the centerline of said 30 foot private road being more particularly located and more particularly described as follows:

BEGINNING at a point on the Southerly right-of-way line of Doerr Street which point is distant the following four (4) courses and distances from a point on the Westerly right-of-way line of New Beaver Avenue at the dividing line between land of Duquesne Light Company and land conveyed by Urban Redevelopment Authority of Pittsburgh to Allegheny

Page

3

Missing

IN WITNESS WHEREOF, the parties to the Lease and Sublease have executed this Memorandum of Lease and Sublease as of the day and year first above written.

MELLON-STUART REALTY CO.

Attest:

Secretary

[Corporate Seal]

By _____

Vice President

Attest:

DUQUESNE LIGHT COMPANY

Secretary

[Corporate Seal]

By _____



Property Ventures, Ltd.

One NorthShore Center
Pittsburgh, PA 15212
Telephone (412) 231-3300
Fax (412) 231-3358

October 21, 1996

Dianna L. Green
Senior Vice President - Customer Operations
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219

RE: Letter Agreement No. 6
Chamber of Commerce Building Lease
between Property Ventures, Ltd. And
Duquesne Light Company, dated
March 1, 1994, as amended ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

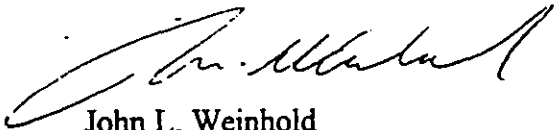
This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made part hereof, consisting of 11,144 rentable square feet on the fifteenth floor.

In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the lease (less \$11,220 relating to Tenant's Work previously performed by the Landlord as outlined in Exhibit C). The Right of First Refusal Commencement Date shall be December 15, 1996.

Dianna L. Green
October 21, 1996
Page 2

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 6".

Sincerely,



John L. Weinhold
Vice President and General Manager

Agreed and Accepted

DUQUESNE LIGHT COMPANY

By:

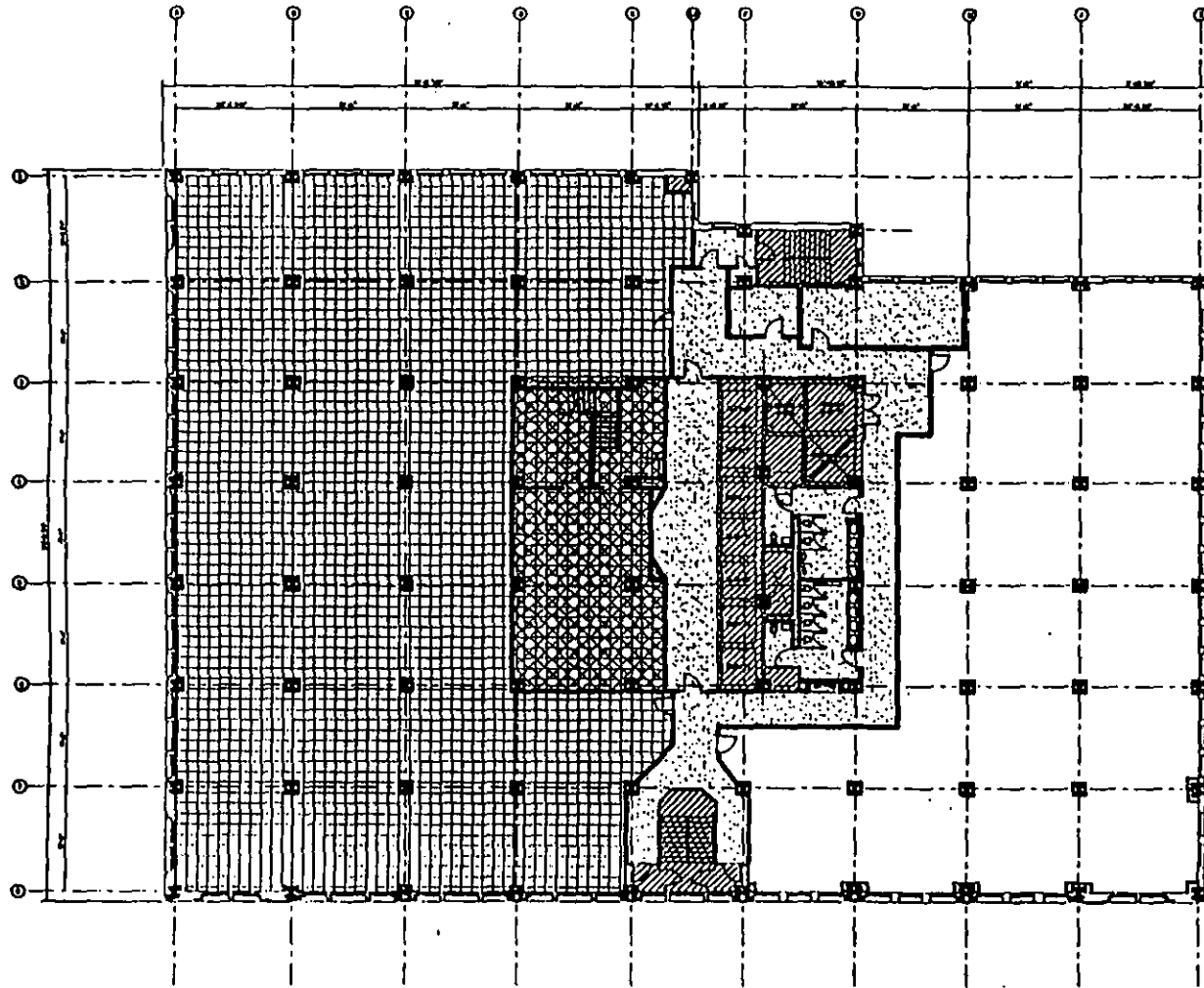


JEZ 10/28/96
JLB 11/1/96
MDH
id 30/96





Title: Senior Vice President- Customer Operations

Date: November 7, 1996

EXHIBIT A
Page 1 of 2



DRAWING KEY

-  DUGUESNE LIGHT PHASE I
-  DUGUESNE LIGHT PHASE II
-  SHARED COMMON AREA
-  VERTICAL PENETRATION AREA

① FIFTEENTH FLOOR

Rentable Area (Phase I)	1,624 s.f.
Rentable Area (Phase II)	11,144 s.f.
TOTAL RENTABLE AREA	12,768 s.f.

Revisions	By	Date	Desc

OXFORD DEVELOPMENT CO.



152712
10/28

INCARE
Certificate No. 12,843

48 SEVENTH AVENUE BUILDING
SEVENTH AVE. & BRITFIELD ST.
PITTSBURGH, PENNSYLVANIA

FIFTEENTH FLOOR PLAN

Project No.	
Date	10-28
Scale	

411 SEVENTH AVENUE
TOTAL OFFICE AREA CALCULATIONS

FLOOR	G.S.F.	U.S.F.	% OF BLDG.	ADD-ON	R.S.F.
2ND	20,774	19,357	6.56518%	554	19,911
3RD	20,780	19,373	6.57024%	554	19,927
4TH	21,126	19,709	6.67642%	583	20,272
5TH	21,126	19,709	6.67642%	583	20,272
6TH	21,126	19,709	6.67642%	563	20,272
7TH	21,126	19,709	6.67642%	563	20,272
8TH	21,151	19,734	6.68432%	584	20,298
9TH	21,151	19,734	6.68432%	584	20,298
10TH	21,151	19,734	6.68432%	584	20,298
11TH	21,151	19,734	6.68432%	584	20,298
12TH	21,151	19,734	6.68432%	564	20,298
14A	21,151	19,734	6.68432%	584	20,298
14TH	21,151	19,734	6.68432%	584	20,298
15TH	21,151	19,734	6.68432%	584	20,298
16TH	21,151	19,734	6.68432%	584	20,298
SUBTOTAL	316,427	295,172		8,431	303,603
LOBBY	2,276				
LOADING DOCK	4,538				
PENTHOUSE	1,817				
PUMP ROOMS					
GRAND TOTAL	324,858				

G.S.F. = Gross Square Feet (Measured from glass line)
U.S.F. = Usable Square Feet (G.S.F. - Stairs, Shaft & Elev. 1,417)
% OF BLDG. = G.S.F. Divided By Subtotal of Floors 2 - 16
ADD-ON = % of Bldg. * Total of Lobby, Loading Dock & Penthouse (8,431)
R.S.F. = Rentable Square Feet (U.S.F. + Add-On)

DLCO 15th Floor Space
Net Rentable Calculation

<u>Usable/Rentable Ratio</u>	
<u>15th Floor (Basis)</u>	
Usable Area (G.S.F. - Stairs, Shaft & Elevator)	19,734
Common Area (mechanical room, restrooms, janitorial room, lobby)	<u>2,817</u>
Net Usable Area	16,917
<u>Rentable Area</u>	=
Net Usable Area	<u>20,298</u> = 1.20 Rentable Add-On Factor
	16,917
15th Floor (Usable Area) - Phase I	1,400 sf
15th Floor (Usable Area) - Phase II	<u>9,240</u> sf
Total DLCO Usable Area - 15th floor	10,640 sf
x Rentable Add-On Factor	<u>1.20</u>
Rentable Area	12,768 sf

EXHIBIT B

LANDLORD'S WORK

15th Floor - Phase II

Tenant space demolition and clearance. (Completed during Phase I)

New fire alarm system in Building core area. (Completed during Phase I)

Furnish and install Fire Protection systems as required including replacement of 3/4" sprinkler piping branch lines to 1", removal of fire hose cabinets, and installation of stairwell fire department connections all in a manner consistent with floors 5, 7, 8, 9, 10 and 14. (Completed during Phase I)

Furnish and install all HVAC systems including supply, return and exhaust ductwork, required internal duct insulation, outdoor air makeup fan, air balancing for the HVAC unit, condensing water piping and condensate drain piping. (Completed during Phase I)

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard with 225 amp main lugs, electrical service from the electrical shaft to the designated electrical closet. Connect existing 277 volt VAV box circuits to new panel. (Completed during Phase I)

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp 120/208, 42 pole panelboard with 225 amp main lugs. All poles are rated 20 ampere. (Completed during Phase I)

Furnish and install two (2) 4" EMT conduits from the communication cable tray in the electrical shaft to the designated utility room. Furnish and install one (1) 300 pair telephone cable from the DLCO, 8th Floor tele-communication's room to the 15th floor utility room. Furnish and install one (1) 4 strand fiber optic cable from and to the same locations. Leave 40 lf of each cable in the 8th floor tele-communications room, and 15 lf of each cable in the utility room. Termination's and testing of cables by tenant. One conduit shall remain a spare.

Provide information for termination of tenant fire alarm devices.

General lighting and convenience power in the utility room required by tenant will be tenant's work. (Completed during Phase I)

EXHIBIT B

LANDLORD'S WORK

15th Floor - Phase II (continued)

Turnover six (6) existing Trane Model VFPE Fan Power Variable Air Volume Boxes.
Relocation by tenant.

EXHIBIT C

Tenant Work Previously Performed by Landlord

15th Floor - Phase II

Purchase six (6) VAV's w/controls
Install VAV's
Furnish & Install Diffusers
Low Velocity Duct (includ. tap)
Test & Balance
Power Wiring
Control Wiring

Total Cost of Work Above = \$11,220.00



Property Ventures, Ltd.

One NorthShore Center
Pittsburgh, PA 15212

Telephone (412) 231-3365
Fax (412) 231-3358

JOHN L. WEAHOLD
Vice President & General Manager

March 14, 1996

Ms. Dianna L. Green
Senior Vice President - Customer Operations
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219

RE: Letter Agreement No. 5
Chamber of Commerce Building Lease
between Property Ventures, Ltd. and
Duquesne Light Company, dated
March 1, 1994, as amended ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made a part hereof, consisting of 7,896 rentable square feet on the second floor.

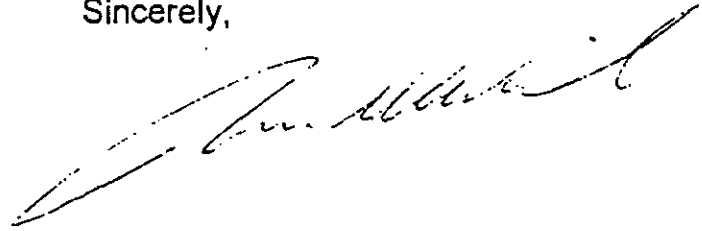
In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the Lease (less \$9,350 relating to Tenant's Work previously performed by the Landlord as outlined in Exhibit C). The Right of First Refusal Commencement Date shall be March 1, 1996.

REC'D
1 15 96
JLW

Ms. Dianna L. Green
March 14, 1996
Page Two

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 5".

Sincerely,

A handwritten signature in black ink, appearing to read "D. L. Green", written over a horizontal line.

Agreed and Accepted

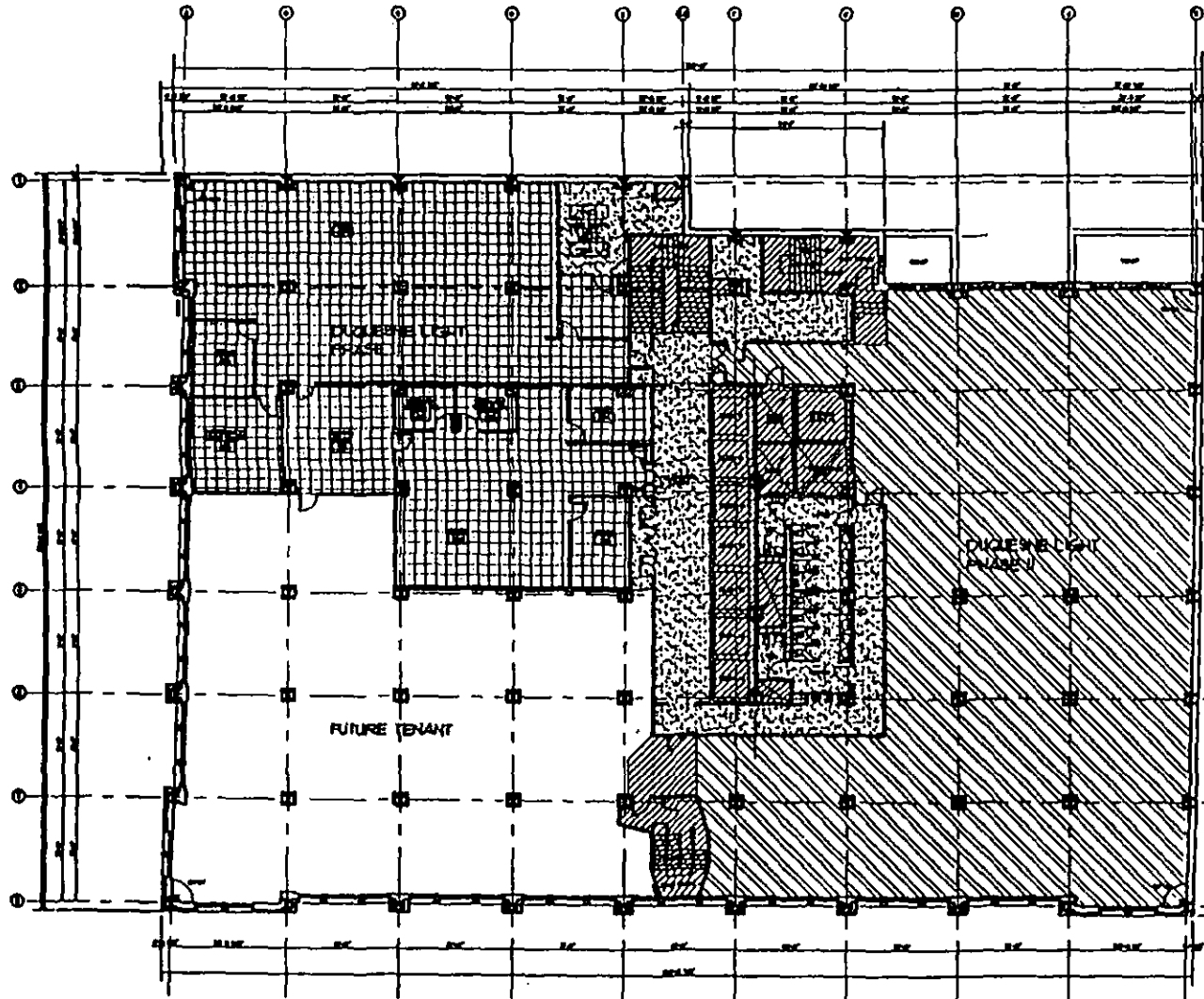
DUQUESNE LIGHT COMPANY

By: Dianna L. Green





Title: _____

Date: _____

mgk
3/14/196
JLB



DRAWING KEY:

-  VERTICAL PENETRATION
-  SHARED COMMON AREAS
-  DUQUESNE LIGHT SPACE - PHASE I
-  DUQUESNE LIGHT SPACE - PHASE II

1 SECOND FLOOR PLAN

Rentable Area (Phase I) 5,794 s.f.
 Rentable Area (Phase II) 7,896 s.f.
TOTAL RENTABLE AREA 13,690 s.f.

Revisions	Date	By	Check

PROPERTY VENTURES LTD.
 A DCE COMPANY
 SUITE 1420 GRANT BUILDING
 300 GRANT STREET
 PITTSBURGH, PENNSYLVANIA 15219



DATE: 12/28/08
 1/2009
 NCARB
 Certificate No. 12,648

48 SEVENTH AVE.
 BUILDING
 PITTSBURGH
 PENNSYLVANIA

SECOND FLOOR PLAN

NO.	DATE	BY	CHKD.

411 SEVENTH AVENUE
TOTAL OFFICE AREA CALCULATIONS

FLOOR	G.S.F.	U.S.F.	% OF BLDG	ADD-ON	R.S.F.
2ND	20,774	19,357	6.58518%	554	19,911
3RD	20,790	19,373	6.57024%	554	19,927
4TH	21,126	19,709	6.67642%	563	20,272
5TH	21,126	19,709	6.67642%	563	20,272
6TH	21,126	19,709	6.67642%	563	20,272
7TH	21,126	19,709	6.67642%	563	20,272
8TH	21,151	19,734	6.68432%	564	20,298
9TH	21,151	19,734	6.68432%	564	20,298
10TH	21,151	19,734	6.68432%	564	20,298
11TH	21,151	19,734	6.68432%	564	20,298
12TH	21,151	19,734	6.68432%	564	20,298
14A	21,151	19,734	6.68432%	564	20,298
14TH	21,151	19,734	6.68432%	564	20,298
15TH	21,151	19,734	6.68432%	564	20,298
16TH	21,151	19,734	6.68432%	564	20,298
SUBTOTAL	316,427	295,172		8,431	303,603
LOBBY	2,276	G.S.F. = Gross Square Feet (Measured from glass line) U.S.F. = Usable Square Feet (G.S.F. - Stairs, Shaft & Elev. 1,417) % OF BLDG. = G.S.F. Divided By Subtotal of Floors 2-16 ADD-ON = % of Bldg. * Total of Lobby, Loading Dock & Penthouse (8,431) R.S.F. = Rentable Square Feet (U.S.F. + Add-On)			
LOADING DOCK	4,538				
PENTHOUSE	1,617				
PUMP ROOMS					
GRAND TOTAL	324,858				

DLCO 2nd Floor Space
Net Rentable Calculation

Usable/Rentable Ratio	
2nd Floor (Basis)	
Usable Area (G.S.F. - Stairs, Shaft & Elevator)	19,357
Common Area (mechanical room, restrooms, janitorial room, lobby)	<u>2,250</u>
Net Usable Area	17,107
<u>Rentable Area</u>	<u>19,911</u>
Net Usable Area	17,107
	= 1.16 Rentable Add-On Factor
2nd Floor (Usable Area) - Phase I	4,792 sf
2nd Floor (Usable Area) - Phase II	<u>7,010</u> sf
Total DLCO Usable Area - 2nd floor	11,802 sf
x Rentable Add-On Factor	<u>1.16</u>
Rentable Area	<u>13,690</u> sf

EXHIBIT B

LANDLORD'S WORK

2nd Floor - Phase II

Tenant space demolition and clearance. (Completed during Phase I)

New fire alarm system in Building core area. (Completed during Phase I)

Furnish and install Fire Protection systems as required including replacement of 3/4" sprinkler piping branch lines to 1", removal of fire hose cabinets, and installation of stairwell fire department connections all in a manner consistent with floors 5, 7, 8, 9, 10 and 14. (Completed during Phase I)

Furnish and install all additional Fire Protection systems including sprinkler branch lines in areas where none currently exist, more specifically, between column lines G - K; 2 - 5.

Furnish and install all HVAC systems as required including supply, return and exhaust ductwork, required internal duct insulation, outdoor air makeup fan, air balancing for the HVAC unit, condensing water piping and condensate drain piping.

Provide new restrooms in a manner that is consistent with floors 5, 7, 8, 9, 10, and 14. (Completed during Phase I)

Furnish and install two (2) water coolers. (Completed during Phase I)

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard electrical service from the electrical shaft to the designated electrical closet. Connect existing 277 volt VAV box circuits to new panel. (Completed during Phase I)

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp 120/208, 42 pole panelboard with 225 amp main lugs. All poles are rated at 20 ampere. (Completed during Phase I)

Furnish and install two (2) 4" EMT conduits from the communication cable tray in the electrical shaft to the designated utility room. Furnish and install one (1) 300 pair telephone cable from the DLCO, 8th Floor tele-communication's room to the 2nd floor utility room. Furnish and install one (1) 4 strand fiber optic cable from and to the same locations. Leave 40 lf of each cable in the 8th floor tele-communications room, and 15 lf

EXHIBIT B
LANDLORD'S WORK

2nd Floor - Phase II (continued)

of each cable in the utility room. Termination's and testing of cables by tenant. One conduit shall remain a spare. (Completed during Phase I)

Provide information for termination of tenant fire alarm devices.

General lighting and convenience power in the utility room required by tenant will be tenant's work. (Completed during Phase I)

Turnover five (5) existing Trane Model VFPE Fan Power Variable Air Volume Boxes. Relocation by tenant.

EXHIBIT C

Tenant Work Previously Performed by Landlord

2nd Floor - Phase II

Purchase 5 VAV's w/controls
Install VAV's
Furnish & Install Diffusers
Low Velocity Duct (includ. tap)
Test & Balance
Power Wiring
Control Wiring

Total Cost of Work Above = \$9,350



Property Ventures, Ltd.

One NorthShore Center
Pittsburgh, PA 15212

Telephone (412) 231-3365
Fax (412) 231-3358

JOHN L. WEINHOLD
Vice President & General Manager

November 15, 1995

Ms. Dianna L. Green
Senior Vice President - Customer Operations
Duquesne Light Company
One Oxford Centre, 30-8
301 Grant Street
Pittsburgh, PA 15279

RE: Letter Agreement No. 4
Chamber of Commerce Building Lease
between Property Ventures, Ltd. and
Duquesne Light Company, dated
March 1, 1994, as amended ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

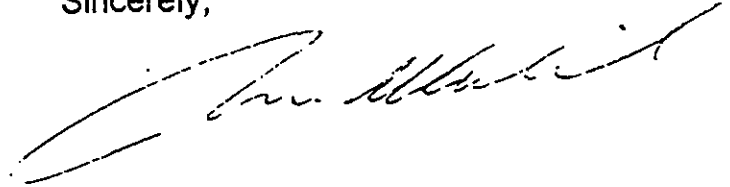
This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made a part hereof, consisting of 20,298 rentable square feet on the sixteenth floor.

In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the Lease. The Right of First Refusal Commencement Date shall be December 15, 1995.

Ms. Dianna L. Green
November 15, 1995
Page Two

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 4".

Sincerely,



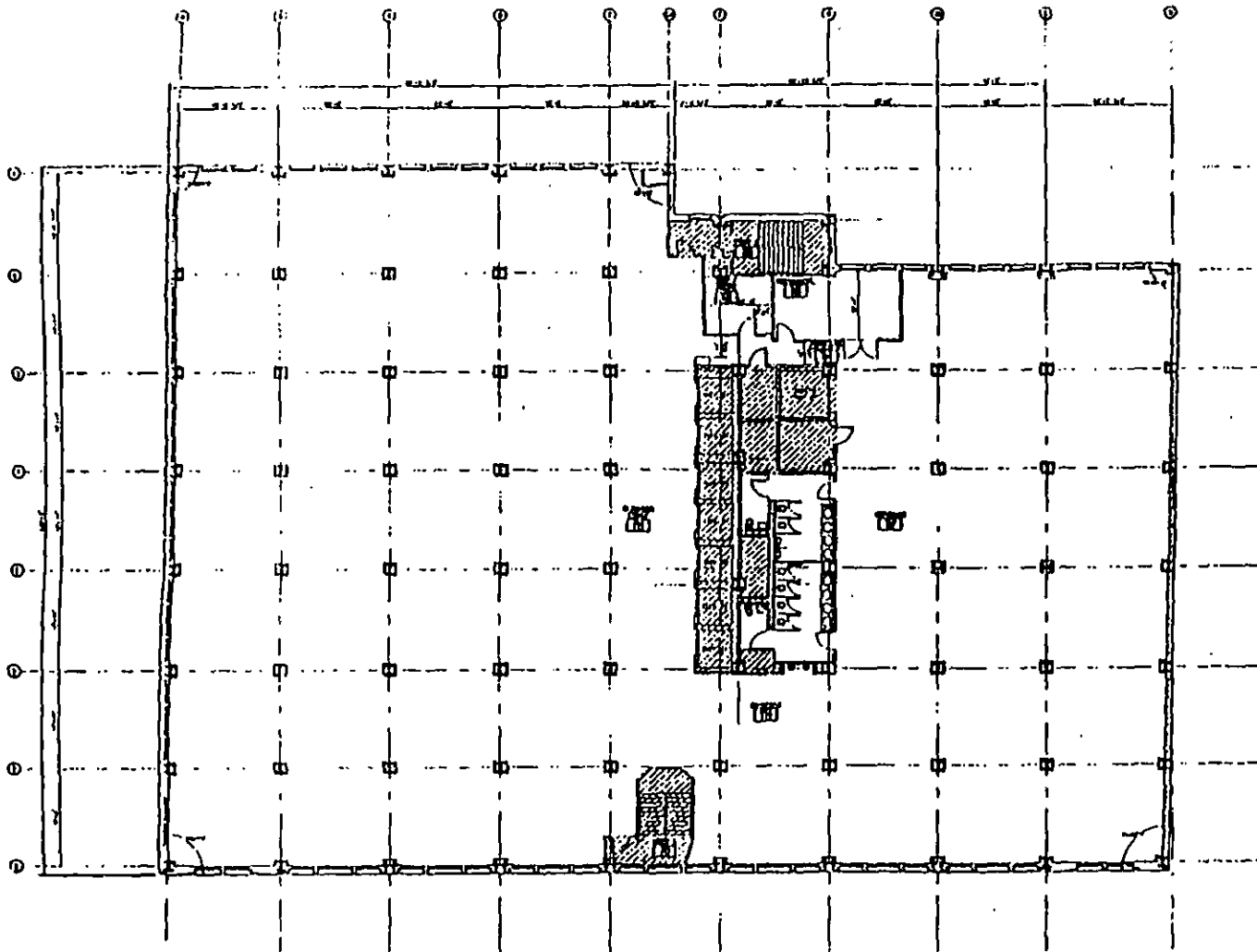
Agreed and Accepted

DUQUESNE LIGHT COMPANY

By:  ^{all}


Title: Senior Vice President - Administration

Date: 11-27-95



SIXTEENTH FLOOR PLAN

Exhibit A
Page 1 of 1

KEY
VERTICAL PENETRATIONS 

RENTABLE AREA : 20,298 SF

Revisions	Date	By

OXFORD DEVELOPMENT CO.



LA Architecture & Interiors, Inc.
1525 20th
Suite 200
Pittsburgh, PA 15222

NCARB
Certificate No. 12,645

THE 4TH SEVENTH AVENUE BUILDING

PITTSBURGH, PENNSYLVANIA 15219

SIXTEENTH FLOOR PLAN

Scale	Date	By

EXHIBIT B

LANDLORD'S WORK

16th Floor

Tenant space demolition and clearance.

New fire alarm system in Building core area.

Furnish and install all Fire Protection systems including replacement of 3/4" sprinkler piping branch lines to 1", removal of fire hose cabinets, and installation of stairwell fire department connections all in a manner consistent with floors 5, 7, 8, 9, 10 and 14.

Furnish and install all HVAC systems including supply, return and exhaust ductwork, required internal duct insulation, outdoor air makeup fan, air balancing for the HVAC unit, condensing water piping and condensate drain piping.

Provide new restrooms in a manner that is consistent with floors 5, 7, 8, 9, 10, and 14.

Furnish and install two (2) water coolers.

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard with 225 amp main lugs, electrical service from the electrical shaft to the designated electrical closet.

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp 120/208 volt, 42 pole panelboard with 225 amp main lugs. All poles are rated at 20 ampere.

Furnish and install two (2) 4" EMT conduits from the communication cable tray in the electrical shaft to the designated utility room on the 15th floor. Furnish and install one (1) 300 pair telephone cable from the DLCO, 8th Floor tele-communication's room to the 15th floor utility room. Furnish and install one (1) 4 strand fiber optic cable from and to the same locations. Leave 40 lf of each cable in the 8th floor tele-communications room, and 15 lf of each cable in the utility room. Termination's and testing of cables by tenant. One conduit shall remain a spare.

Provide information for termination of tenant fire alarm devices.

General lighting and convenience power in the utility room required by tenant will be tenant's work.

EXHIBIT B

LANDLORD'S WORK

16th Floor (continued)

Provide a secured elevator for the exclusive use of the occupants of the 16th floor. In the event that the secured car is inoperable, a second car configured in the same fashion shall automatically assume the responsibilities of the first secured car. A keypad type security system shall activate the elevator system to travel to restricted floors. All elevator modifications are the sole responsibility of the tenant and landlord shall be reimbursed for all costs associated with this work.



Property Ventures, Ltd.

One NorthShore Center
Pittsburgh, PA 15212

Telephone (412) 231-3365
Fax (412) 231-3358

JOHN L. WEINHOLD
Vice President & General Manager

November 14, 1995

Ms. Dianna L. Green
Senior Vice President - Customer Operations
Duquesne Light Company
One Oxford Centre, 30-8
301 Grant Street
Pittsburgh, PA 15279

received
12/14/95

RE: Letter Agreement No. 3
Chamber of Commerce Building Lease
between Property Ventures, Ltd. and
Duquesne Light Company, dated
March 1, 1994, as amended ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

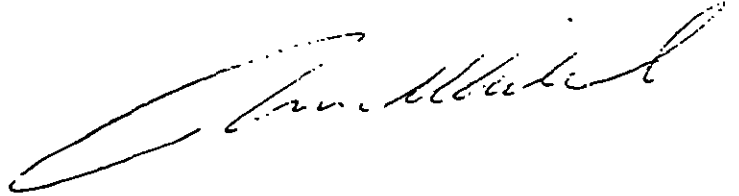
This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made a part hereof, consisting of 1,624 rentable square feet on the fifteenth floor.

In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the Lease. The Right of First Refusal Commencement Date shall be December 15, 1995.

Ms. Dianna L. Green
November 14, 1995
Page Two

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 3".

Sincerely,



Agreed and Accepted

DUQUESNE LIGHT COMPANY

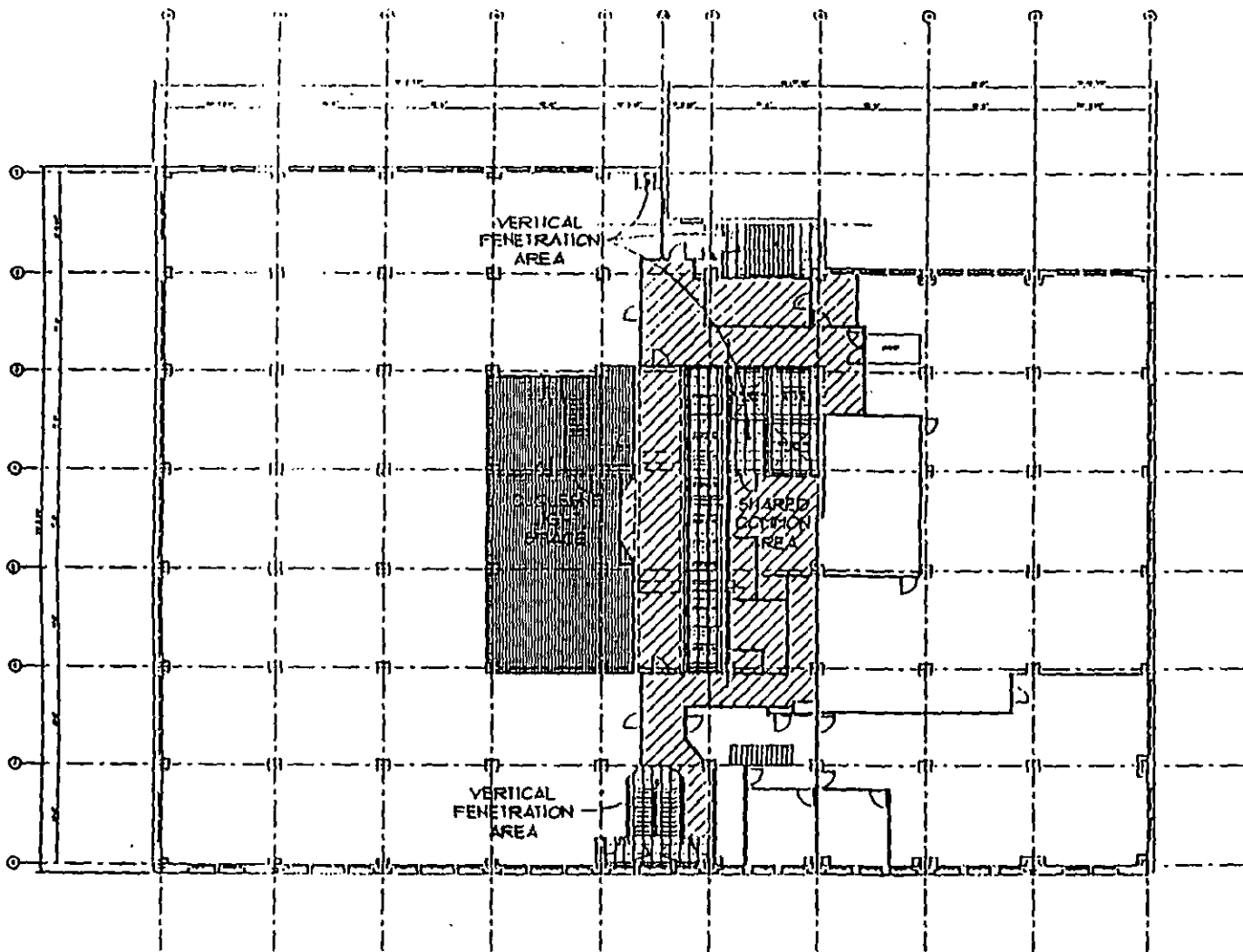
By:

Manim Green ^{DBB} ¹¹⁻²⁷⁻⁹⁵


Title: Senior Vice President - Administration


Date:


11-27-95



DRAWING KEY

 DUCUESNE LIGHT SPACE

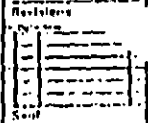
 SHARED COMMON AREA

 VERTICAL PENETRATION AREA

① FIFTEENTH FLOOR

Exhibit A
Page 1 of 2

RENTABLE AREA: 1624 SQ FT



OXFORD DEVELOPMENT CO.



100 South 10th Street, Suite 1000, Pittsburgh, PA 15222

15222

15222

HEARD Certificate No. 12,443

48 SEVENTH AVENUE BUILDING

SEVENTH AVE. 1

PITTSBURGH PENNSYLVANIA

FIFTEENTH FLOOR PLAN

DATE	10/15/15
SCALE	AS SHOWN
NO.	15

411 SEVENTH AVENUE
TOTAL OFFICE AREA CALCULATIONS

FLOOR	G.S.F.	U.S.F.	% OF BLDG	ADD-ON	R.S.F.
2ND	20,774	19,357	6.56518%	554	19,911
3RD	20,790	19,373	6.57024%	554	19,927
4TH	21,126	19,709	6.87642%	563	20,272
5TH	21,126	19,709	6.87642%	563	20,272
6TH	21,126	19,709	6.87642%	563	20,272
7TH	21,126	19,709	6.87642%	563	20,272
8TH	21,151	19,734	6.88432%	564	20,298
9TH	21,151	19,734	6.88432%	564	20,298
10TH	21,151	19,734	6.88432%	564	20,298
11TH	21,151	19,734	6.88432%	564	20,298
12TH	21,151	19,734	6.88432%	564	20,298
14A	21,151	19,734	6.88432%	564	20,298
14TH	21,151	19,734	6.88432%	564	20,298
15TH	21,151	19,734	6.88432%	564	20,298
16TH	21,151	19,734	6.88432%	564	20,298
SUBTOTAL	316,427	295,172		8,431	303,803
LOBBY	2,276	G.S.F. = Gross Square Feet (Measured from glass line) U.S.F. = Usable Square Feet (G.S.F. - Stairs, Shaft & Elev. 1,417) % OF BLDG. = G.S.F. Divided By Subtotal of Floors 2-16 ADD-ON = % of Bldg. * Total of Lobby, Loading Dock & Penthouse (8,431) R.S.F. = Rentable Square Feet (U.S.F. + Add-On)			
LOADING DOCK	4,538				
PENTHOUSE	1,617				
PUMP ROOMS					
GRAND TOTAL	324,858				

DLCO 15th Floor Space
 Net Rentable Calculation

<u>Usable/Rentable Ratio</u>	
<u>15th Floor (Basis)</u>	
Usable Area (G.S.F. - Stairs, Shaft & Elevator)	19,734
Common Area (mechanical room, restrooms, janitorial room, lobby)	2,174
Net Usable Area	17,560
<u>Rentable Area</u>	20,298
Net Usable Area	17,560
	= 1.16 Rentable Add-On Factor
15th Floor (Usable Area)	1,400 sf
x Rentable Add-On Factor	1.16
- Rentable Area	1,624 sf

Exhibit A
 Page 2 of 2

EXHIBIT B

LANDLORD'S WORK

15th Floor

Tenant space demolition and clearance.

New fire alarm system in Building core area.

Furnish and install all Fire Protection systems including replacement of 3/4" sprinkler piping branch lines to 1", removal of fire hose cabinets, and installation of stairwell fire department connections all in a manner consistent with floors 5, 7, 8, 9, 10 and 14. Said work to be substantially complete by January 31, 1996.

Furnish and install all HVAC systems including supply, return and exhaust ductwork, required internal duct insulation, outdoor air makeup fan, air balancing for the HVAC unit, condensing water piping and condensate drain piping. Said work to be substantially complete by January 31, 1996.

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard with 225 amp main lugs, electrical service from the electrical shaft to the designated electrical closet. Said work to be substantially complete by January 31, 1996.

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp 120/208 volt, 42 pole panelboard with 225 amp main lugs. All poles are rated at 20 ampere. Said work to be substantially complete by January 31, 1996.

Provide information for termination of tenant fire alarm devices.

General lighting and convenience power in the utility room required by tenant will be tenant's work.



Property Ventures, Ltd.

Grant Building, Suite 1420
330 Grant Street
Pittsburgh, PA 15219

Telephone (412) 227-4783
Fax (412) 227-4787

August 8, 1995

JOHN L. WEINHOLD
Vice President & General Manager

Ms. Dianna L. Green
Senior Vice President - Customer Operations
Duquesne Light Company
One Oxford Centre, 30-8
301 Grant Street
Pittsburgh, PA 15279

RE: Chamber of Commerce Building Lease
between Property Ventures, Ltd. and
Duquesne Light Company, dated
March 1, 1994. as amended ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

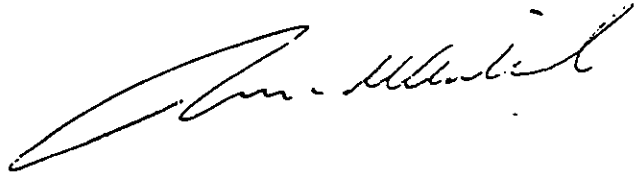
This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made a part hereof, consisting of 20,298 rentable square feet.

In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the Lease (less \$22,440.60 relating to Tenant's Work previously performed by the Landlord as outlined in Exhibit C). The Right of First Refusal Commencement Date shall be December 1, 1995.

Ms. Dianna L. Gre
August 8, 1995
Page Two

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 2".

Sincerely,

A handwritten signature in cursive script, appearing to read "John M. ...", written in black ink.

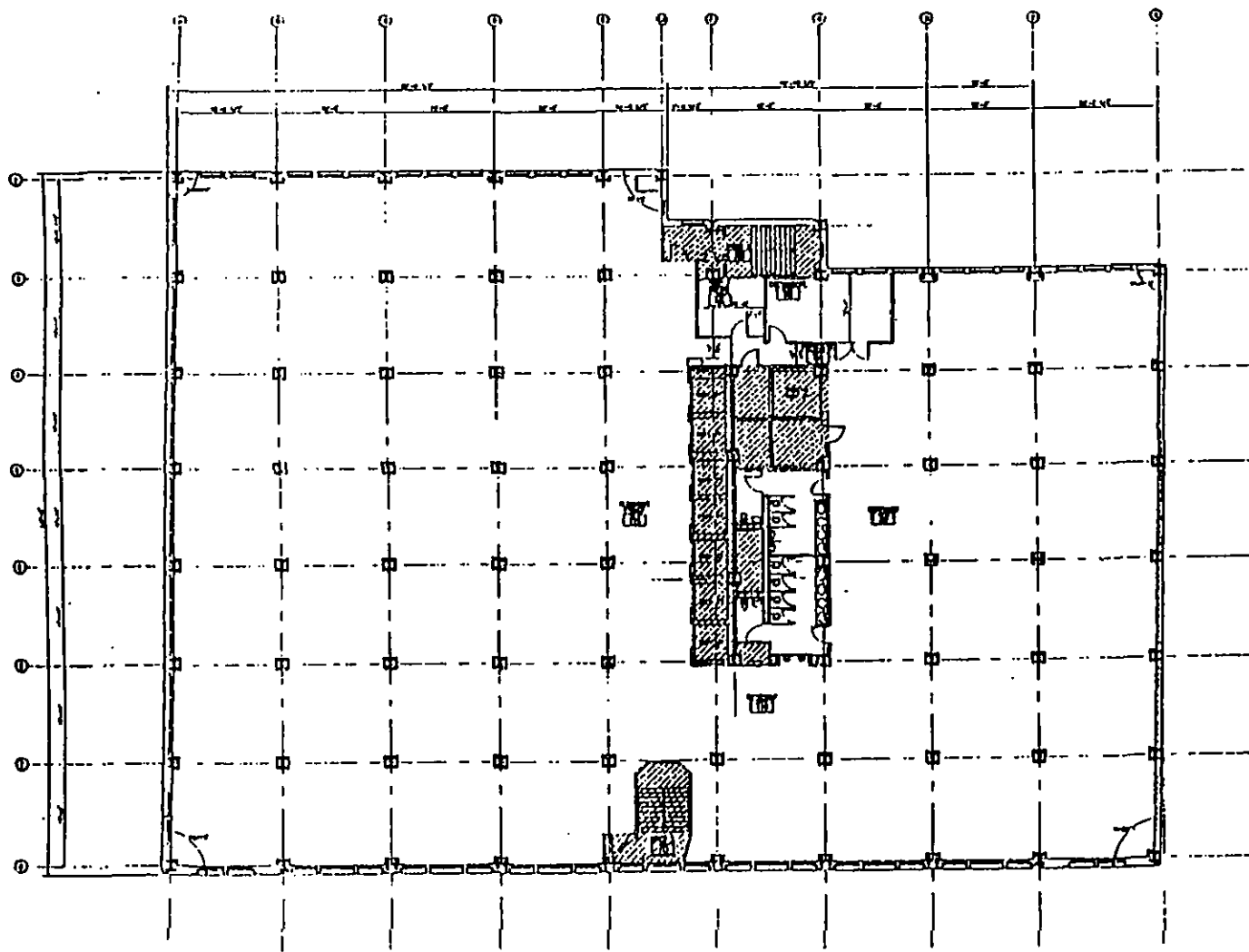
Agreed and Accepted

DUQUESNE LIGHT COMPANY


By: _____

Title: _____

Date: _____



N
NINTH FLOOR PLAN

KEY
VERTICAL PENETRATIONS 

RENTABLE AREA : 20,298 SF

EXHIBIT A

Revisors	
Date	

OXFORD DEVELOPMENT CO.



152 212
- 303

NCARS
Certificate No. 12,445

THE 411 SEVENTH AVENUE BUILDING

PITTSBURGH
PENNSYLVANIA
15210

NINTH FLOOR PLAN

DATE	
BY	
CHECKED	
DATE	

EXHIBIT B

LANDLORD'S WORK

9th Floor

Tenant space demolition and clearance.

New fire alarm system in Building core area.

Furnish and install all Fire Protection systems including replacement of 3/4" sprinkler piping branch lines to 1", removal of fire hose cabinets, and installation of stairwell fire department connections all in a manner consistent with floors 5, 7, 8, 10 and 14.

Furnish and install all HVAC systems including supply, return and exhaust ductwork, required internal duct insulation, outdoor air makeup fan, air balancing for the HVAC unit, condensing water piping and condensate drain piping all in a manner consistent with floors 5, 7, 8, 10 and 14.

Provide new restrooms in a manner that is consistent with floors 5, 7, 8, 10, and 14.

Furnish and install two (2) water coolers.

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard electrical service from the electrical shaft to the designated electrical closet. Connect existing 277 volt VAV box circuits to new panel.

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp 120/208, 42 pole panelboard with 225 amp main lugs. All poles are rated at 20 ampere.

Furnish and install two (2) 4" EMT conduits from the communication cable tray in the electrical shaft to the designated utility room. Furnish and install one (1) 300 pair telephone cable from the DLCO, 8th Floor tele-communication's room to the 9th floor utility room. Furnish and install one (1) 4 strand fiber optic cable from and to the same locations. Leave 40 lf of each cable in the 8th floor tele-communications room, and 15 lf of each cable in the utility room. Termination's and testing of cables by tenant. One conduit shall remain a spare.

Provide information for termination of tenant fire alarm devices.

EXHIBIT B

LANDLORD'S WORK

9th Floor (continued)

General lighting and convenience power in the utility room required by tenant will be tenant's work.

Turnover twelve (12) existing Trane Model VFPE Fan Power Variable Air Volume Boxes. Relocation by tenant.

EXHIBIT C

Tenant Work Previously Performed by Landlord

9th Floor

Purchase 12 VAV's w/controls

Install VAV's

Furnish & Install Diffusers

Low Velocity Duct (includ. tap)

Test & Balance

Power Wiring

Control Wiring

Total Cost of Work Above = \$22,440.60



Property Ventures, Ltd.

Grant Building, Suite 1420
330 Grant Street
Pittsburgh, PA 15219

Telephone (412) 227-4783
Fax (412) 227-4787

February 22, 1995

JOHN L. WEINHOLD
Vice President & General Manager

Ms. Dianna L. Green
Vice President - Administrative Services
Duquesne Light Company
One Oxford Centre, 30-8
301 Grant Street
Pittsburgh, PA 15279

RE: Chamber of Commerce Building Lease
between Property Ventures, Ltd. and
Duquesne Light Company, dated
March 1, 1994 ("Lease")

Dear Ms. Green:

This letter is being provided to you in duplicate originals pursuant to Article 45 of the Lease. Unless otherwise defined herein, capitalized terms used in this letter shall have the definitions ascribed to them in the Lease.

This letter shall constitute a Right of First Refusal Notice. The Right of First Refusal Premises are identified on Exhibit A, attached hereto and made a part hereof, consisting of 5,794 rentable square feet.

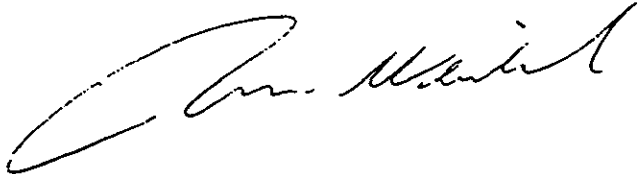
In the event that Tenant properly exercises this Right of First Refusal, Landlord will deliver the Right of First Refusal Premises in the condition described in Section 45(c) of the Lease. Landlord will also provide the work described in Exhibit B attached hereto and will provide Tenant with the allowances for construction of Tenant's build-out and a moving allowance as set forth in Section 45(c) of the Lease (less \$8,468.00 relating to Tenant's Work previously performed by the Landlord as outlined in Exhibit C). The Right of First Refusal Commencement Date shall be March 1, 1995.

2 - 24 - 95

Ms. Dianna L. Green
February 22, 1995
Page Two

If you wish to exercise this Right of First Refusal, kindly execute this letter in the indicated place below, return one original of the same to the undersigned and this letter shall be known as "Letter Agreement No. 1".

Sincerely,



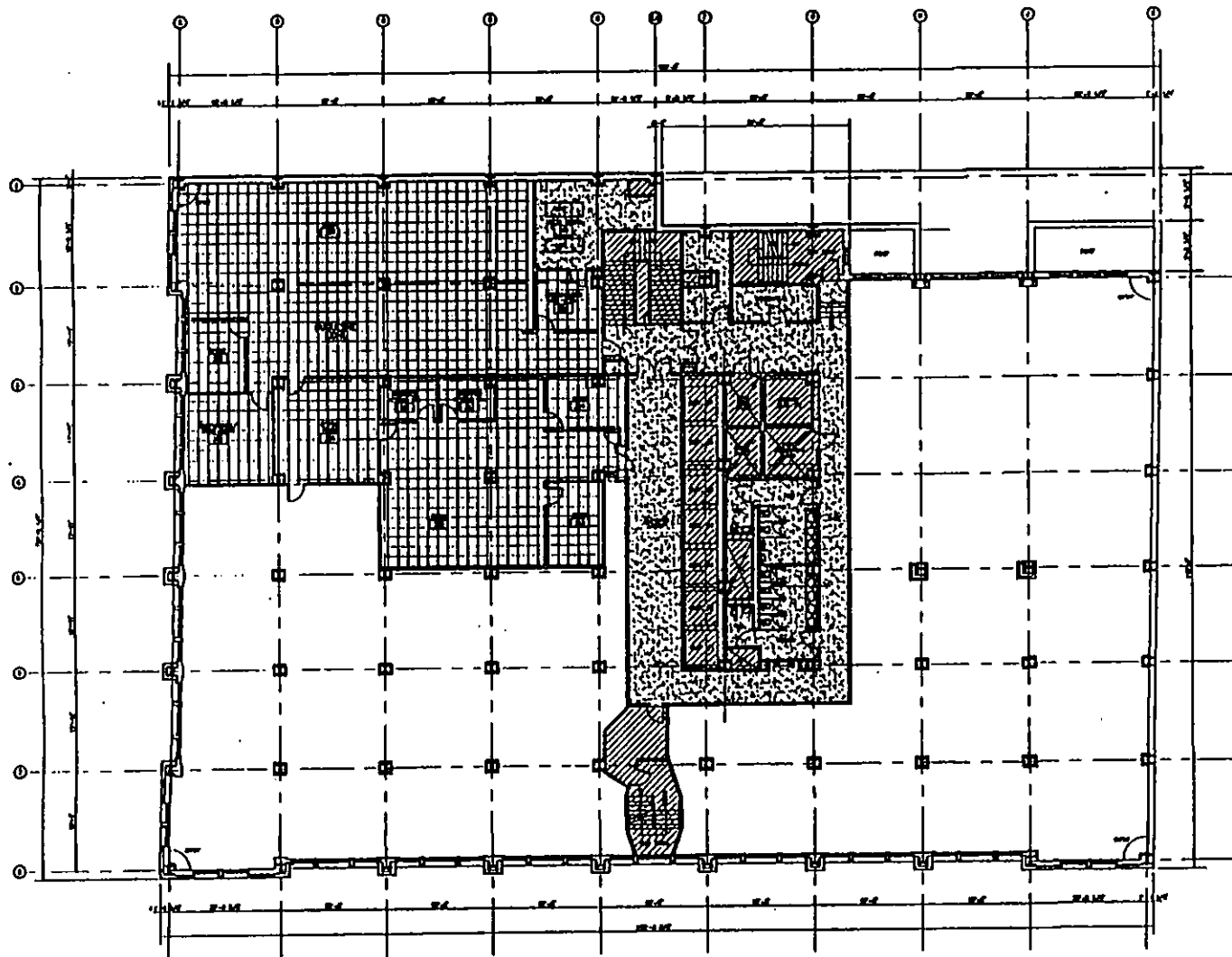
Agreed and Accepted

DUQUESNE LIGHT COMPANY

By: Dianna L. Green *JLG 2/22/95*
JLG 2/23/95

Title: Vice President Administrative Services Group




Date: 2-23-95



1 SECOND FLOOR PLAN
 SCALE: 1/8" = 1'-0"



DRAWING KEY:

-  VERTICAL PENETRATIONS:
-  DUQUESNE LIGHT SPACE
-  SHARED COMMON AREAS:

RENTABLE AREA: 5,794 SQ.FT.

Revision	By	Date

PROPERTY VENTURES LTD.
 A DOE COMPANY
 SUITE 1400 GRANT BUILDING
 330 GRANT STREET
 PITTSBURGH, PENNSYLVANIA 15219



PCARS
 Certificate No. 12,652

THE CHAMBER
 OF COMMERCE
 BUILDING
 SEVENTH AVE. &
 SMITHFIELD ST.
 PITTSBURGH
 PENNSYLVANIA

SECOND
 FLOOR PLAN

A102

**411 SEVENTH AVENUE
TOTAL OFFICE AREA CALCULATIONS**

FLOOR	G.S.F.	U.S.F.	% OF BLDG	ADD-ON	R.S.F.
2ND	20,774	19,357	8.66518%	554	19,911
3RD	20,790	19,373	8.57024%	554	19,927
4TH	21,126	19,709	8.67842%	563	20,272
5TH	21,126	19,709	8.67842%	563	20,272
6TH	21,126	19,709	8.67842%	563	20,272
7TH	21,126	19,709	8.67842%	563	20,272
8TH	21,151	19,734	8.68432%	564	20,298
9TH	21,151	19,734	8.68432%	564	20,298
10TH	21,151	19,734	8.68432%	564	20,298
11TH	21,151	19,734	8.68432%	564	20,298
12TH	21,151	19,734	8.68432%	564	20,298
14A	21,151	19,734	8.68432%	564	20,298
14TH	21,151	19,734	8.68432%	564	20,298
16TH	21,151	19,734	8.68432%	564	20,298
18TH	21,151	19,734	8.68432%	564	20,298
SUBTOTAL	316,427	295,172		8,431	303,603
LOBBY	2,276	G.S.F. = Gross Square Feet (Measured from glass line) U.S.F. = Usable Square Feet (G.S.F. - Stairs, Shaft & Elev. 1,417) % OF BLDG = G.S.F. Divided By Subtotal of Floors 2 - 16 ADD-ON = % of Bldg. * Total of Lobby, Loading Dock & Penthouse (8,431) R.S.F. = Rentable Square Feet (U.S.F. + Add-On)			
LOADING DOCK	4,538				
PENTHOUSE					
PUMP ROOMS	1,817				
GRAND TOTAL	324,858				

**DLCO Second Floor Space
Net Rentable Calculation**

<u>Usable/Rentable Ratio</u>	
2nd Floor (Base)	
Usable Area (G.S.F. - Stairs, Shaft & Elevator)	19,357
Common Area (mechanical room, restrooms, janitorial room, lobby)	2,889
Net Usable Area	16,468
$\frac{\text{Rentable Area}}{\text{Net Usable Area}} = \frac{19,911}{16,468} = 1.209$	Rentable Add-On Factor
Second Floor (Usable Area)	4,792 sf
x Rentable Add-On Factor	1.209
Rentable Area	5,794 sf

EXHIBIT B

LANDLORD'S WORK

2nd Floor

Tenant space demolition and clearance.

New fire alarm system in Building core area.

Repair existing A/C unit #1 and A/C unit #2 as required for proper operation. A/C unit #1 and A/C unit #2 to remain on existing 120/208 volt power system.

Provide new bypass duct to tie-in main supply ducts between A/C unit #1 and A/C unit #2 complete with manual dampers.

Provide new restrooms in a manner that is consistent with floors 5, 7, 8, 10 and 14.

Furnish and install two (2) water coolers.

Provide a new 225 amp, 480 volt, 3 phase 42 pole panelboard electrical service from the electrical shaft to the designated electrical closet. Connect existing 277 volt VAV box circuits to new panel.

Provide one (1) 75 KVA dry type transformer to supply 120/208 volt power. Furnish and install one (1) 225 amp, 120/208 volt, 42 pole panelboard with a 225 amp, 3 pole main circuit breaker, and one (1) 225 amp, 120/208 volt, 42 pole panelboard with 225 amp main lugs. All poles are rated at 20 ampere.

Furnish and install two (2) 4" EMT conduits from the communication cable tray in the electrical shaft to the designated utility room. Furnish and install one (1) 300 pair telephone cable from the DLCO, 8th floor tele-communication's room to the second floor utility room. Furnish and install one (1) 4 strand fiber optic cable from and to the same locations. Leave 40 lf of each cable in the 8th floor tele-communications room, and 15 lf of each cable in the utility room. Terminations and testing of the cables by tenant. One conduit shall remain a spare.

Provide information for termination of tenant fire alarm devices.

General lighting and convenience power in the common utility room required by tenant will be tenant's work.

Three (3) Trane Model VFPE Fan Power Variable Air Volume Boxes will carry a warranty period through September 30, 1995, which represents a period of 12 months from initial start-up.

EXHIBIT C

Tenant Work Previously Performed By Landlord

2nd Floor

Purchase 3 VAV's w/control
Install VAV's
Furnish & Install Diffusers
Low Velocity Duct (incl. tap)
Test & Balance
Power Wiring
Control Wiring

Total Cost of Work Above = \$8,468.00

Original

CHAMBER OF COMMERCE BUILDING

LEASE

BETWEEN

PROPERTY VENTURES, LTD.

AND

DUQUESNE LIGHT COMPANY

TABLE OF CONTENTS

	<u>Page</u>
1. <u>Premises</u>	1
2. <u>Definitions</u>	1
3. <u>Renewals</u>	7
4. <u>Landlord's Work and Tenant's Work</u>	8
5. <u>Possession</u>	10
6. <u>Rent</u>	11
7. <u>Security Deposit</u>	11
8. <u>Real Estate Taxes</u>	11
9. <u>Operating Expenses</u>	13
10. <u>Use of Premises; Rules and Regulations</u>	16
11. <u>Tenant's Acceptance</u>	16
12. <u>Alterations and Additions</u>	17
13. <u>Building Services</u>	18
14. <u>Assignment and Subletting</u>	21
15. <u>Access to Premises</u>	23
16. <u>Repairs</u>	24
17. <u>Surrender of Premises</u>	25
18. <u>Indemnification and Liability</u>	26
19. <u>Fire or Other Casualty; Waiver of Subrogation</u>	27
20. <u>Insurance</u>	29
21. <u>Condemnation</u>	30
22. <u>Subordination and Attornment</u>	31
23. <u>Estoppel Certificates</u>	32
24. <u>Tenant Default and Remedies</u>	32
25. <u>Landlord Default and Remedies</u>	36
26. <u>Attorneys' Fees</u>	38
27. <u>Waiver</u>	38
28. <u>Quiet Enjoyment</u>	39
29. <u>Force Majeure</u>	39
30. <u>Successors</u>	39
31. <u>Governing Law</u>	39
32. <u>Separability</u>	39
33. <u>Captions</u>	39
34. <u>Interpretation</u>	39
35. <u>Notices</u>	40
36. <u>Brokers</u>	40
37. <u>Interest</u>	40
38. <u>Landlord's Exculpatory</u>	40
39. <u>Compliance</u>	41
40. <u>Entire Agreement/Modifications</u>	42
41. <u>Counterparts</u>	42
42. <u>Waiver of Jury Trial</u>	42
43. <u>Public Portions of Building</u>	42
44. <u>Relocation</u>	43
45. <u>Right of First Refusal</u>	43
46. <u>Termination Rights</u>	45
47. <u>Storage Space</u>	46
48. <u>Moving Allowance</u>	47
49. <u>Option to Purchase</u>	47
50. <u>Other Tenants</u>	52

51. Parking 52
52. Coal Notice 53
53. Time of the Essence 53
54. Confidentiality 53

- Exhibit A - Description of Premises
- Exhibit B - Description of Landlord's Work
- Exhibit C - Building Rules and Regulations
- Exhibit D - Form of Estoppel Certificate
- Exhibit E - Description of Storage Premises
- Exhibit F - Description of Tenant's Work for First Floor
Office Premises
- Exhibit G - Janitorial Services

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into as of the first day of March, 1994, by and between PROPERTY VENTURES, LTD., a Pennsylvania corporation, having an office at the Grant Building, 330 Grant Street, Suite 1420, Pittsburgh, Pennsylvania 15219 (hereinafter called "Landlord"), and DUQUESNE LIGHT COMPANY, a Pennsylvania corporation, having an office at One Oxford Centre, Pittsburgh, Pennsylvania 15279 (hereinafter called "Tenant").

1. Premises.

(a) Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises (as defined in Section 2(ab) below) for the Term (as defined in Section 2(ba) below).

(b) Notwithstanding Section 1(a) above, Tenant may, at Tenant's option, increase the Premises by not more than twenty percent (20%) or decrease the Premises by not more than twenty percent (20%) upon written notice to Landlord not later than July 1, 1994; a failure by Tenant to so notify the Landlord on or before such date, time being of the essence, shall constitute a waiver of such right. If Tenant elects to reduce the Premises, such notice shall include a specific description of the space to be released, which space shall be contiguous, with the remaining space to be rentable as reasonably determined by Landlord. If Tenant elects to increase the Premises, such increased space shall be office space in the Building on other than the first floor of the Building which is not under lease or negotiation for lease, and shall be subject to agreement by Landlord and Tenant. The Rentable Area (as defined in Section 2(al) below) shall be adjusted to reflect the space added or subtracted from the Premises pursuant to the expansion/reduction right of Tenant under this Section 1(b).

2. Definitions. As used herein, the following terms shall be deemed to have the following meanings:

- (a) "ADA" shall mean the Americans with Disabilities Act, as amended from time to time, and all rules and regulations promulgated pursuant thereto.
- (b) "Additional Rent" shall mean the sums payable by Tenant relating to Tenant's share of real estate taxes and Operating Expenses in excess of the Base Year pursuant to Sections 8 and 9 of this Lease, respectively, and all other sums payable by Tenant to Landlord hereunder designated as Additional Rent.
- (c) "Annual Minimum Rent" shall mean (i) during the Initial Term, an amount equal to Fourteen Dollars

and Seventy-Five Cents (\$14.75) multiplied by the number of square feet in the Rentable Area and (ii) during each Renewal Term, an amount determined in accordance with Section 3 of this Lease, such sums to be paid by Tenant to Landlord in accordance with Section 6(a) of this Lease.

- (d) "Base Building" shall mean the Building construction built (including Landlord's Work) prior to any changes or alterations made by or on behalf of Tenant (including prior to and excluding Tenant's Work).
- (e) "Base Year" shall mean the period of the first twelve (12) consecutive months commencing on January 1 and ending on December 31 of the same calendar year for the Initial Term and each Renewal Term.
- (f) "Building" shall mean that certain building located at 411 Seventh Avenue in the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania.
- (g) "Business Day" shall mean any day except Saturdays, Sundays and Holidays during Normal Business Hours.
- (h) "Buy-Out Effective Date" shall mean the effective date of the exercise of the Buy-Out Right.
- (i) "Buy-Out Payment" shall mean the payment to be paid by Tenant to Landlord in order to effectively exercise the Buy-Out Right, which payment will be calculated in accordance with Section 46(b) hereof.
- (j) "Buy-Out Right" shall mean the right of Tenant to terminate this Lease in accordance with Section 46(b) of this Lease.
- (k) "Commencement Date" shall mean September 1, 1994.
- (l) "Consumer Price Index" shall mean the "Consumer Price Index for all Urban Consumers -- National Average" (1982 - 84 = 100) issued by the Bureau of Labor Statistics of the United States Department of Labor (or such successor statistic established by the United States Department of Labor).
- (m) "Default" shall mean a Landlord Default or a Tenant Default.
- (n) "Default Rate" shall mean the lesser of (i) the Prime Rate plus two percent (2%), per annum or

- (ii) the greatest amount permitted under applicable Law.
- (o) "Expiration Date" shall mean the date of expiration of the Term.
- (p) "First Floor Office Premises" shall mean the portion of the Premises identified on Exhibit A as being located on the first floor of the Building.
- (q) "Holidays" shall mean New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- (r) "Initial Term" shall mean the initial term of this Lease beginning on the Commencement Date and terminating on the last day of the one hundred and twentieth (120th) full calendar month after the Commencement Date.
- (s) "Land" shall mean the lot on which the Building is located, together with all easements and other appurtenances thereto and all improvements on such areas.
- (t) "Landlord Default" shall mean a default by Landlord in accordance with Section 25(a) of this Lease and a failure by Landlord to cure such default within the period (if any) set forth therein.
- (u) "Landlord's Partial Year" shall mean the portion of the calendar year of the Purchase Closing (if any) beginning on January 1 of such year and ending on the date of the Purchase Closing.
- (v) "Landlord's Work" shall mean the work to be performed by Landlord pursuant to Section 4(a) hereof described on Exhibit B, attached hereto and made a part hereof.
- (w) "Laws" shall mean all laws, ordinances, regulations, codes and rules of all governmental authorities having jurisdiction over the Property or any portion thereof.
- (x) "MAI" shall mean Master Appraisal Institute.
- (y) "Moving Allowance" shall mean an allowance in the amount of Two Dollars (\$2.00) per square foot of the Rentable Area of the Premises leased on the Commencement Date (excluding the First Floor Office Premises), toward Tenant's costs of moving to the Premises, given by Landlord to Tenant pursuant to Section 48 of this Lease.

- (z) "Normal Business Hours" shall mean 7:00 A.M. to 6:00 P.M. weekdays and 8:00 A.M. to 1:00 P.M. Saturdays (Sundays and Holidays excepted).
- (aa) "Operating Expenses" shall mean the operating expenses of the Building more fully described in Section 9 of this Lease.
- (ab) "Premises" shall mean the portion of the Building consisting of the Rentable Area, as such Premises may be adjusted in accordance with Section 1(b) of this Lease and pursuant to the exercise of the Right of First Refusal by Tenant.
- (ac) "Prime Rate" shall mean the interest rate per annum publicly announced by PNC Bank, N.A. (or any successor thereto) as its prime rate, such interest rate to change effective as of the effective date of each change in such announced prime rate.
- (ad) "Property" shall mean the Land, the Building, the Premises and all other improvements now or hereafter located therein or thereon.
- (ae) "Purchase Closing" shall mean the closing of the purchase and sale of the Property upon a proper exercise of the Purchase Option.
- (af) "Purchase Option" shall mean the option to purchase the Property granted by Landlord to Tenant in Section 49 of this Lease.
- (ag) "Purchase Option Period" shall mean the Term, excluding (i) the last year of the Initial Term if the first renewal option is not exercised in accordance with Section 3 of this Lease, (ii) the last year of the first Renewal Term if the second renewal option is not exercised and (iii) the last year of the second Renewal Term.
- (ah) "Purchase Price" shall mean the price to be paid by Tenant to Landlord for the Property pursuant to a proper exercise of the Purchase Option.
- (ai) "Receiving Party" shall mean the party other than the party submitting the determination of fair market rent to appraisers in accordance with Sections 3(a) or 45(e) of this Lease.
- (aj) "Renewal Term" shall mean each of the five (5) year terms, as described in Section 3 of this Lease, with respect to which the renewal option is properly exercised in accordance with Section 3 hereof.

- (ak) "Rent" shall mean the Annual Minimum Rent and Additional Rent, collectively.
- (al) "Rentable Area" shall mean the 97,488 rentable square feet of the Premises shown on Exhibit A, attached to this Lease and made a part hereof (subject to adjustment in accordance with Section 1(b) above) and shall be adjusted to reflect any exercise by the Tenant of the Right of First Refusal.
- (am) "Rent Commencement Date" shall mean the date which is six (6) months after the Commencement Date; provided, however, that the Rent Commencement Date shall be delayed by one (1) day for each day beyond the date set forth in Section 4(b) hereof that Landlord does not cause a substantial portion of the Premises to be made available to Tenant on such date available to Tenant for the construction of the Tenant's Work for reasons other than delays caused by Tenant or any agent, employee or contractor of Tenant, which delay causes Tenant to be unable to complete all of Tenant's move into such Premises by October 1, 1994.
- (an) "Right of First Refusal" shall mean the right of first refusal to lease premises in the Building granted to Tenant pursuant to Section 45 hereof.
- (ao) "Right of First Refusal Commencement Date" shall mean the date which is one hundred and twenty (120) days after the Right of First Refusal Premises are delivered by Landlord to Tenant in a condition ready for Tenant's work on such premises.
- (ap) "Right of First Refusal Notice" shall mean written notice by Landlord to Tenant that Landlord intends to market for lease a portion of the Building.
- (aq) "Right of First Refusal Period" shall mean the Term, excluding (i) the last year of the Initial Term, if the first renewal option is not exercised in accordance with Section 3 of this Lease, (ii) the last year of the first Renewal Term if the renewal option for the second Renewal Term is not exercised in accordance with Section 3 above and (iii) the second Renewal Term.
- (ar) "Right of First Refusal Premises" shall mean the portion(s) of the Building leased by Tenant pursuant to Tenant's exercise(s) of the Right of First Refusal.

- (as) "Storage Premises" shall mean the basement storage space consisting of 5,200 rentable square feet, identified on Exhibit E, attached hereto and made a part hereof, made available by Landlord to Tenant pursuant to Section 47 of this Lease.
- (at) "Submitting Party" shall mean the party submitting the determination of fair market rent to the determination of appraisers in accordance with Sections 3(a) and 45(e) of this Lease.
- (au) "Tenant Default" shall mean a default by Tenant in accordance with Section 24(a) of this Lease and a failure by Tenant to cure such default within the period (if any) set forth therein.
- (av) "Tenant Improvement Allowance" shall mean an allowance given by Landlord to Tenant toward the cost of construction of the Tenant's Work pursuant to Section 4(b) of this Lease in an amount equal to the sum of (i) Twenty-Three Dollars (\$23.00) multiplied by the number of square feet of Rentable Area leased by Tenant on the Commencement Date, plus (ii) Twenty-Five Hundred Dollars (\$2,500) per floor for the lobbies of the Premises.
- (aw) "Tenant Pass Through" shall mean charges and/or expenses to the Property payable by tenants of the Building under their respective leases (including increases in operating expenses and real estate taxes over a given base year).
- (ax) "Tenant's Operating Expense Proportionate Share" shall mean a percentage equal to one hundred (100) multiplied by a fraction, the numerator of which shall be the Rentable Area and the denominator of which shall be 305,299.
- (ay) "Tenant's Real Estate Proportionate Share" shall mean a percentage equal to one hundred (100) multiplied by a fraction, the numerator of which shall be the Rentable Area and the denominator of which shall be 319,675.
- (az) "Tenant's Work" shall mean the work to be performed by Tenant in preparing the Premises for occupancy in accordance with Section 4(b) of this Lease.
- (ba) "Term" shall mean the Initial Term, together with each Renewal Term with respect to which Tenant properly exercises Tenant's renewal option set forth in Section 3 of this Lease.

(bb) "Total Real Estate Taxes" shall mean the real estate taxes (as defined in Section 8 of this Lease) attributable to the Property or any portion thereof.

(bc) "Work" shall mean the Tenant's Work and the Landlord's Work, collectively.

3. Renewals. Landlord hereby grants to Tenant the option to renew this Lease twice, each for a term of five (5) years, by giving Landlord written notice of Tenant's exercise of such renewal option not later than one (1) year prior to the then scheduled expiration of the Term; a failure by Tenant to give written notice to Landlord of the exercise of a renewal option shall constitute a waiver of said right (and, in the case of the first renewal option, shall constitute a waiver of the second renewal option, as well). Notwithstanding the foregoing, Tenant shall not have the right to exercise any renewal option if any Tenant Default has occurred and is continuing at the time of the exercise of the renewal option. All the terms and conditions of this Lease shall continue to apply during the Renewal Terms, except as set forth below:

(a) The Annual Minimum Rent during each Renewal Term shall be the fair market rental of equivalent space in the downtown Pittsburgh market on the date which is twelve (12) months prior to the commencement of the Renewal Term (which rent shall be adjusted to reflect any free rent periods). Landlord shall provide Tenant with a notice of Landlord's determination of the fair market rent and shall provide Landlord's supporting documentation with respect thereto not later than nine (9) months prior to the commencement of the Renewal Term. Within twenty (20) Business Days after receipt thereof, Tenant may either (i) object to such determination, and provide Landlord with Tenant's basis for such objection, in which event if the parties do not agree on the Annual Minimum Rent within ten (10) days thereafter, and so long as such disagreement shall continue, either party may submit the question of the fair market rent to appraisers in accordance with Section 3(c) hereof or (ii) rescind Tenant's notice of renewal, in which event the Term shall expire in accordance with the provisions of this Lease or (iii) accept such determination either by notice to Landlord or by not electing (i) or (ii) by the expiration of such twentieth (20th) Business Day.

(b) The Premises shall be leased with no additional Tenant floor upgrade work to be performed by Landlord, or allowance by Landlord including the Moving Allowance or Tenant Improvement Allowance.

Notwithstanding the foregoing, Landlord shall give Tenant one renovation allowance only upon the exercise of the first renewal option, in the amount of five dollars (\$5.00) per square foot of the Premises (provided that such \$5.00 shall be adjusted by changes in the Consumer Price Index (but shall in no event be less than \$5.00 per square foot of the Rentable Area of the Premises) from the Commencement Date to nine (9) months prior to the expiration of the Initial Term). The renovation allowance shall be paid by Landlord to Tenant upon the commencement of the first Renewal Term.

- (c) In the event that the fair market rent is submitted pursuant to this Section 3(c), the fair market rent shall be determined by an appraiser selected in the following manner: The Submitting Party shall nominate an appraiser in the Submitting Party's notice of such election. In the event that the Receiving Party objects to such first appraiser, the Receiving Party shall so notify the Submitting Party within twenty (20) days after receipt of the Submitting Party's notice of election and nominate a second appraiser; a failure by the Receiving Party to object to the first appraiser and nominate a second appraiser within such twenty (20) day period shall constitute an acceptance of the first appraiser and the first appraiser shall determine the fair market rent. In the event that the Submitting Party objects to the second appraiser, the Submitting Party shall so notify the Receiving Party within twenty (20) days after receipt of the notice of the second appraiser; a failure by the Submitting Party to object to the second appraiser within such twenty (20) day period shall constitute an acceptance of the second appraiser and the second appraiser shall determine the fair market rent. In the event that the Submitting Party objects to the second appraiser, both the first appraiser and the second appraiser shall determine the fair market rent, and the Annual Minimum Rent shall be based on the average of two determinations. The cost of the appraisals shall be borne equally by Tenant and Landlord. Each appraiser shall be disinterested, unaffiliated with either Tenant or Landlord, experienced in real estate in the downtown Pittsburgh office market and MAI licensed.

4. Landlord's Work and Tenant's Work.

- (a) Landlord shall perform the Landlord's Work prior to the Commencement Date at Landlord's sole cost and expense

(provided that the date of substantial completion of the Landlord's Work with respect to additional premises leased by Tenant pursuant to Section 1(b) of this Lease shall be subject to the agreement of Landlord and Tenant). Landlord shall have no liability for failing to complete the Landlord's Work except as set forth in this Section 4(a). In the event that (i) Landlord fails to substantially complete the Landlord's Work on or before the Commencement Date, and (ii) such failure is not caused by Tenant, or any agent, employee or contractor of Tenant and (iii) such failure precludes Tenant from occupying a substantial portion of the Premises on the Commencement Date, Landlord shall reimburse Tenant for (1) alternative temporary space (including relocation costs) and (2) all sums which Tenant is required to pay to Buchanan Ingersoll, P.C., the new occupant of Tenant's former premises, in each case relating to the period commencing on the Commencement Date and ending on the earlier of (A) sixty (60) days after the date that the Landlord's Work is substantially complete and (B) Tenant occupying a substantial portion of the Premises; provided that Landlord shall have the right to mitigate such damages, including making alternative temporary space available to Tenant in the Building or elsewhere (Tenant's reasonable out of pocket costs of relocating from the temporary premises to the Premises to be borne by Landlord). In the event of any delay by Landlord, Tenant shall use Tenant's best efforts to move into the Premises expeditiously (notwithstanding any delay by Landlord) and shall cause the relocation to the Premises to take priority over any relocation to any location other than the Premises. Landlord's Work shall be deemed to be substantially complete if all Landlord's Work necessary for Tenant's occupancy at the Premises has been completed. Section 29 shall not apply to this Section 4(a).

(b) All Tenant's Work shall be completed by Tenant, which work shall be done in accordance with plans which are in form, detail and quantity as may be required by Landlord, shall be subject to the prior approval of Landlord and shall reflect work which is in compliance in all respects with all applicable Laws. All Work with respect to the First Floor Office Premises shall be performed by Tenant, at Tenant's sole cost and expense (except the Landlord's Work shown on Exhibit B) including the Tenant's Work with respect to the First Floor Office Premises identified on Exhibit F, attached to this Lease and made a part hereof. Tenant shall comply in all respects with Section 12 hereof (except Section 12(a)(v) and Section 12(e)) in connection with the Tenant's Work and, in connection with Section 12(a)(iv), Tenant shall, and shall cause the Tenant's construction manager, each contractor and each subcontractor to, name Landlord as an additional insured on its liability, personal and property insurance policies. Landlord shall provide Tenant with the Tenant Improvement Allowance toward the cost of construction of the Tenant's Work. Tenant shall retain the services of a construction manager. Tenant or the construction manager, at Tenant's option, shall contract for the construction of all Tenant's Work. The construction manager shall invoice Tenant monthly. The invoice shall include all costs for improvements

that have been constructed and materials delivered during the preceding month. This invoice shall be subject to approval by Tenant, and payment for such invoice (or such portion thereof, as instructed by Tenant) shall be made by Landlord to the construction manager not later than twenty (20) days from the date of Landlord's receipt of the invoice and instruction for Tenant to pay the invoice. Payment of any invoice by Landlord shall not constitute any approval of the Tenant's Work by Landlord or impose any obligation on Landlord with respect to the Tenant's Work including the inspection thereof. Under no circumstances shall Landlord have any obligation to expend any sums in excess of the Tenant Improvement Allowance. Any unused Tenant Improvement Allowance may, at Tenant's option, be applied toward Rent. Landlord shall make the portion of the Premises located on the first, fifth, eighth, tenth and fourteenth floors of the Building available to Tenant for Tenant's Work on or before April 1, 1994 and shall make the portion of the Premises located on the seventh floor of the Building available to Tenant for Tenant's Work on or before May 1, 1994. Tenant shall make any additional premises leased by Tenant pursuant to Section 1(b) of this Lease available to Tenant at such time as agreed upon by Tenant and Landlord. Landlord shall be constructing the Landlord's Work on the floors on which the Premises are located at the same time Tenant is performing the Tenant's Work. Tenant and Landlord shall cooperate in scheduling and working together to accomplish the Landlord's Work and the Tenant's Work on time. Such prior occupancy shall not impose on Landlord any additional obligation whatsoever with respect to the Premises and Tenant assumes all risks whatsoever pertaining to Tenant's early occupancy (except those liabilities arising from Landlord's negligence or willful misconduct). Tenant shall have all other responsibilities and liabilities during such prior occupancy as are to be applicable to Tenant under this Lease during the Term, except that Tenant shall have no obligation to pay the Rent or other charges during such occupancy.

(c) Title to all Work shall vest in the Landlord immediately upon the installation thereof. Landlord and Tenant shall evidence Landlord's ownership of the Work by Tenant's providing to Landlord of a certified, itemized listing of the Work and Tenant's execution of a bill of sale and/or any other documentation upon which Landlord and Tenant may mutually agree. Tenant may use and enjoy the Work (and any replacements thereto) during the Term. Tenant shall have no obligation (or right) to remove the Work, or any portion thereof, from the Premises during the Term or upon the expiration thereof.

5. Possession. If Landlord fails to tender possession of the Premises on or before the Commencement Date, then all Rent shall abate until Landlord tenders possession, and (except as provided in Section 4(a) hereof) Tenant hereby accepts such abatement in full settlement of any and all claims Tenant may have against Landlord arising from Landlord's failure to tender possession on the Commencement Date. The Term shall be extended as a result of such failure by Landlord to tender possession on

the Commencement Date for a period equal to such delay in the commencement of the Term. No formal tender of possession by Landlord, in writing or otherwise, shall be required. Landlord shall notify Tenant as early as possible of any delays in completing the Landlord's Work.

6. Rent.

(a) Tenant shall pay to Landlord at its offices above specified, or at such other place as Landlord may from time to time designate, the Annual Minimum Rent in equal monthly installments, payable in advance and without demand or offset (except as expressly permitted in Sections 13, 19, 21 or 25(b)(i) hereof), beginning on the Rent Commencement Date and continuing on the first day of each calendar month thereafter until the expiration of the Term. Landlord shall provide monthly statements to Tenant detailing the Rent; provided, however, that any failure by Landlord (or Landlord's agent) to provide any such statement shall not be a basis for Tenant to fail to pay Rent.

(b) In the event the Rent Commencement Date is a day other than the first day of a calendar month, Tenant shall pay to Landlord on or before the Rent Commencement Date, a pro rata portion of the monthly installment of Annual Minimum Rent to be based on the number of days remaining in such partial month from and after the Rent Commencement Date. In the event that the Term expires on a date other than the last day of a calendar month, Tenant shall pay to Landlord, on or before the first day of the calendar month in which the Term expires, a pro rata portion of the monthly installment of Annual Minimum Rent to be based on the number of days of such month within the Term.

(c) Except as provided in Sections 13, 19, 21 or 25(b)(i) hereof, in the event that Tenant shall fail to pay any Rent when due (irrespective of any grace period which may be permitted by this Lease prior to the occurrence of a Tenant Default), Tenant shall be obligated to pay immediately a late charge in the amount of two percent (2%) of such overdue payment (provided that no late payment shall be payable with respect to a failure by Tenant to pay any portion of the Additional Rent with respect to which Tenant disputes Tenant's obligation to pay in good faith and has notified Landlord in writing of the basis for such dispute). Tenant's covenant to pay Rent shall be independent of any other covenant set forth in this Lease.

7. Security Deposit. [Intentionally Omitted]

8. Real Estate Taxes.

(a) As and for Additional Rent, Tenant shall pay to Landlord, without setoff or deduction (except as expressly permitted in Sections 13, 19, 21 or 25(b)(i) hereof), Tenant's Real Estate Proportionate Share of the Total Real Estate Taxes in excess of the Total Real Estate Taxes for the Base Year. The Total Real Estate Taxes shall be prorated in the last year of the

Term for the portion of such year within the Term and such portion not within the Term. The term "real estate taxes" shall mean all taxes and assessments, including special assessments, levied, assessed or imposed at any time by any governmental authority upon or against the Land and/or the Building, and also any tax or assessment levied, assessed or imposed at any time by any governmental authority in connection with the receipt of income or rents from said Land and/or Building to the extent that same shall be in lieu of (and/or in lieu of an increase in) all or a portion of any of the aforesaid taxes or assessments upon or against the Land and Building and all business privilege taxes and similar taxes imposed on the Building, Land or Property or the owner thereof. The term "real estate taxes" shall also include any taxes not presently in effect which may hereafter be assessed and levied by any governmental body or other authority against the Land, Building or Premises. The term "real estate taxes" shall also include reasonable legal fees and costs of counsel retained by Landlord in connection with proceedings for the reduction of real estate taxes (except as provided in Section 8(c) below).

(b) Tenant shall pay to Landlord Tenant's Real Estate Proportionate Share of Total Real Estate Taxes as follows: Tenant shall pay monthly, in advance, a sum equal to 1/12th of Landlord's estimate of the amount by which Tenant's Real Estate Proportionate Share of Total Real Estate Taxes shall be in excess of Tenant's Real Estate Proportionate Share of the Total Real Estate Taxes for the Base Year. Landlord shall furnish Tenant with a written statement of the actual Total Real Estate Taxes, with evidence reasonably satisfactory to Tenant that such statement accurately reflects the actual Total Real Estate Taxes. In the event that such statement discloses that the Additional Rent paid by Tenant as Tenant's Real Estate Proportionate Share of Total Real Estate Taxes is less than the amount actually incurred, Tenant shall pay such amount to Landlord within twenty (20) Business Days after receipt of such statement as Additional Rent. In the event that such statement discloses that the Additional Rent paid by Tenant as Tenant's Real Estate Proportionate Share of Total Real Estate Taxes is greater than the amount actually incurred, Landlord shall give Tenant an immediate credit against the next month's Additional Rent to be paid by Tenant to Landlord.

(c) Tenant may, at Tenant's option, at any time appeal any assessment, levy or other imposition of real estate taxes covered by this Section upon notice to Landlord. The cost of any appeal by Tenant shall be borne by Tenant; provided, however, that if Tenant is successful in obtaining a reduction in the real estate taxes, Landlord shall reimburse Tenant for such costs and expenses, and such reimbursed costs and expenses shall be "real estate taxes" for purposes of Section 8(a) hereof. Notwithstanding the foregoing, the Landlord shall have the right to make any such appeal in lieu of Tenant, the cost of which will be deemed to be a "real estate tax" for purposes of Section 8(a) hereof. In the event that Landlord wishes to appeal any

assessment, levy or other imposition of real estate taxes and Tenant objects to such appeal, the cost of such appeal shall be included in "real estate taxes" for purposes of Section 8(a) hereof only if Landlord is successful in obtaining a reduction in the real estate taxes.

9. Operating Expenses. As and for Additional Rent, Tenant shall pay to Landlord, without setoff or deduction (except as expressly permitted in Sections 13, 19, 21 or 25(b)(i) of this Lease) Tenant's Operating Expense Proportionate Share of the Operating Expenses in each year in excess of the Tenant's Operating Expense Proportionate Share of the Operating Expenses for the Base Year (but not less than zero); provided, however, that in no event shall Tenant be responsible for Operating Expenses in any year to the extent that they exceed the Operating Expenses in the Base Year increased by the number of years after the Base Year multiplied by four percent (4%) and that in no event shall Tenant be responsible for increases in Operating Expenses from one year to the next year in excess of four percent (4%). If the first and/or last years of the Term shall not be full calendar years, then Tenant's obligation for Operating Expenses attributable to such years shall be prorated on the basis of the ratio between the number of days of such calendar years falling within the Term and 365.

"Operating Expenses" shall mean any and all costs, expenses and disbursements of every kind and character (subject to the limitations set forth below) which Landlord shall incur, pay or become obligated to pay in connection with the operation, maintenance, repair, replacement and security of the Property, determined in accordance with Landlord's general practices, including the following:

All supplies and materials used in operation, maintenance, repair, replacement, and security.

Cost of utilities including water, telephone, telegraph, power, heating, cable, lighting, air conditioning and ventilating.

Cost of casualty, liability and other insurance applicable to the Property and Landlord's personal property used in connection therewith.

Cost of repairs, replacements, and general maintenance.

Cost of service or maintenance contracts with independent contractors for operation, maintenance, repair, replacement, or security, including the cost of janitorial services; trash, garbage, snow and ice removal; servicing, replacing, equipping and maintenance of all electrical, security and fire alarms, fire pumps, sprinkler systems and fire extinguishers and hose cabinets; guard services; painting, window cleaning, landscaping and gardening.

Cost of audit fees, legal fees, and other administrative expenses.

Cost of contractual management fees and other expenses directly related to the management of the Property and/or the maintenance of the accounting books and records including all on-site management and related payroll costs.

Expense or amortization, at Landlord's option, of capital expenditures required by any governmental or regulatory authority, and capital expenditures for fire and safety equipment, related to the common areas or the portions of the Building other than the Premises.

All sales, use and excise taxes on goods and services purchased or provided by Landlord, or any agent or contractor thereof, in connection with the management, operation, maintenance and/or repair of the Property.

All license, permit and inspection fees.

All Federal, state and local payroll taxes, unemployment taxes and Social Security taxes.

Building Owner's Management Association dues.

Reasonable legal fees and related costs of counsel retained by Landlord, reasonable arbitration costs and expenses, and charges for professional services rendered on behalf of Landlord or its managing agents incurred in connection with labor relations or other matters if the same shall be for the benefit of tenants in the Building.

Expense or amortization, at Landlord's option, of capital improvements which are designed to reduce Operating Expenses, with interest at the Prime Rate on the unamortized amount, if such improvement results in savings of labor or other costs to tenants (if the new expense or amortization of such capital improvement is less than the expense per year which would have been incurred if the expenditure had not been made, such expense or amortization shall be the Operating Expense; if the expense per year which would have been incurred is less, such deemed expense shall be the Operating Expense).

Such other expenses reasonably incurred by Landlord which are necessary or proper in connection with the operation and maintenance of a first-class Class B office building.

Specifically excluded from the definition of the term "Operating Expenses" are interest and amortization payments on

any mortgage or loan; all capital items as classified by U.S. Generally Accepted Accounting Principles consistently applied (except the expense or amortization of certain items as provided above); expenses for repair or other work occasioned by fire or other casualty which are covered under a standard fire policy with extended coverage; lease commissions incurred in the leasing or procuring of new tenants and leasehold improvements for other tenants; expenses incurred in leasing to, or procuring, new or existing tenants (such as renovations, design fees and tenant allowances); legal fees in enforcing terms of leases; and costs relating to the operation of the premises leased on the first floor of the Building for retail use.

If at any time during the Term less than ninety-five percent (95%) of the rentable area of the Building is leased to tenants, then for purposes of this Section 9, Operating Expenses shall be increased to the level Operating Expenses would be were the Building ninety-five percent (95%) so leased.

Tenant shall pay to Landlord Tenant's Operating Expense Proportionate Share of Operating Expenses as follows: Landlord shall provide a statement to Tenant each month identifying the Operating Expenses for the previous month (and Tenant's Operating Expense Proportionate Share of such Operating Expenses) and the Operating Expenses for the same month in the Base Year (and Tenant's Operating Expense Proportionate Share of such Operating Expenses in the Base Year), which statement shall be in form and substance satisfactory to Landlord and Tenant. Each month Tenant shall pay a sum equal to the amount by which Tenant's Operating Expense Proportionate Share of Operating Expenses for the previous month exceeds Tenant's Operating Expense Proportionate Share of Operating Expenses for such month during the Base Year, as shown on the statement delivered by Landlord to Tenant, within twenty (20) Business Days after receipt of such Landlord's statement.

Within one hundred twenty (120) days after the expiration of each calendar year, Landlord shall also furnish Tenant with a written statement of the actual Operating Expenses incurred for the preceding calendar year. In the event that such statement discloses that the Additional Rent paid by Tenant as Tenant's Operating Expense Proportionate Share of Operating Expenses is less than the amount actually incurred, Tenant shall pay such amount to Landlord within twenty (20) Business Days after receipt of such statement as Additional Rent. In the event that such statement discloses that the Additional Rent paid by Tenant as Tenant's Operating Expense Proportionate Share of Operating Expenses is greater than the amount actually incurred, Landlord shall give Tenant an immediate credit against the next month's Additional Rent to be paid by Tenant to Landlord.

Tenant and its agents and employees shall have the right to inspect Landlord's books and records, including back-up materials relating to all cost items (excluding confidential information including payroll) with respect to the Operating

Expenses once each year within one hundred eighty (180) days after receiving the Landlord's statement of actual Operating Expenses for such year at a mutually convenient time at the office of Landlord or Landlord's agent in Allegheny County, Pennsylvania. If Tenant disputes the accuracy of Landlord's statement of actual Operating Expenses, Tenant shall still pay the amount shown owing. Tenant may, however, within one hundred eighty (180) days after receiving the statement of actual Operating Expenses, dispute the statement of actual Operating Expenses; provided that such 180 day period shall be extended by each day in excess of ten (10) days that Landlord does not provide access to books or records of Landlord requested by Tenant after Tenant's request therefor. If such examination of Landlord's books and records reveals that Landlord overstated the Operating Expenses, Tenant shall be entitled to a credit against future Rent in an amount equal to the excess paid by Tenant, together with interest from the date of payment at the Default Rate. No other adjustment shall be made from such inspection of Landlord's books and records. If Tenant does not dispute the statement of actual Operating Expenses within such 180-day period (as it may be extended as set forth above), time being of the essence, then Tenant shall accept as final the amount shown owing on the statement of actual Operating Expenses.

10. Use of Premises; Rules and Regulations. Tenant shall use and occupy the Premises for general business office use relating to Tenant's business and for no other purpose. Tenant shall observe and comply with the Rules and Regulations attached hereto as Exhibit C and made a part hereof and with such amendments and supplements thereto as Landlord may from time to time reasonably adopt. All Rules and Regulations now or hereafter in effect shall apply to Tenant and its employees, agents, licensees, invitees, sub-tenants, contractors and sub-contractors. Reasonable amendments or supplements made from time to time to the Rules and Regulations by Landlord shall become effective when delivered to Tenant. In no event shall any such amendment or supplement interfere with Tenant's quiet use and enjoyment of the Premises or the conduct of Tenant's business therein. Under no circumstances shall Landlord amend Paragraph 11 of the Rules and Regulations without Tenant's prior written consent, which consent shall not be unreasonably withheld. Landlord shall provide for reasonable uniform enforcement of such Rules and Regulations as in effect from time to time during the Term and shall use reasonable efforts to enforce the Rules and Regulations against other tenants of the Building. In the event of any inconsistency between the specific terms of this Lease and such Rules and Regulations (or any amendments or supplements thereto), the specific terms of this Lease shall prevail.

11. Tenant's Acceptance. Tenant acknowledges that neither Landlord nor any agent or representative of Landlord has made any representations or warranties regarding the Premises. Tenant, by taking possession of the Premises, shall be deemed to have acknowledged that it has inspected the Premises and any improvements made to the same; provided that Tenant shall not be

responsible for any latent defects (where a latent defect is any defect unknown to Tenant except defects caused by Tenant or any contractor, employee or agent of Tenant).

12. Alterations and Additions.

(a) Other than Tenant's Work, no alteration, addition or improvement to or installation in the Premises shall be made or permitted to be made by Tenant without the prior written consent of Landlord. Landlord may impose such conditions to its consent as it may elect including conditions that Tenant (i) obtain Landlord's approval of all plans and specifications; (ii) obtain Landlord's approval of all contractors and subcontractors and their respective contracts; (iii) obtain all permits, approvals and certificates required by any governmental body and, upon completion, provide such certificates to Landlord; (iv) carry, and cause all contractors and subcontractors to carry, worker's compensation, general liability, personal and property damage insurance; (v) upon Landlord's request, agree at its sole cost to remove any such alteration, addition, improvement or installation upon surrender of the Premises and to restore the Premises to its prior condition, except for ordinary wear and tear; and (vi) cause each contract or agreement with each contractor to require the contractor to properly file a no-lien agreement in the Prothonotary's Office of Allegheny County prior to the commencement of any work at the Premises or the placement of any materials on the Premises or the Property (or, at Tenant's option, provide such other security satisfactory to Landlord in order to ensure that the Premises shall be kept free from mechanics' or materialmen's liens and that the cost of all alterations or additions will be fully paid).

(b) Contractors or subcontractors engaged by Tenant shall be subject to Landlord's prior approval, and shall use their best efforts to employ workers and means to ensure the progress of work and the operation of the Building without interruption on account of strikes, work stoppages or other causes. All contracts shall provide for a waiver of mechanic's liens by each contractor and subcontractor and shall obligate each contractor and subcontractor to provide insurance coverage satisfactory to Landlord. Tenant hereby agrees to defend, indemnify and hold Landlord harmless against all liabilities, damages, costs and expenses (including reasonable attorneys' fees) which Landlord may incur in connection with or as a result of any such contracts or subcontracts or any acts or omissions of, or work or materials supplied by such contractors or subcontractors to the extent that such liabilities, damages, costs and expenses do not result from or are not caused by the acts or omissions of Landlord, Landlord's agents, employees or contractors. This obligation shall survive the termination of this Lease.

(c) All work done by or caused to be done by Tenant may be monitored by Landlord at its discretion. During periods when work is being performed, Tenant's contractors or

subcontractors shall regularly remove debris, keep the Premises and other areas of the Property clean to the reasonable satisfaction of Landlord and comply with Landlord's fire prevention, security, safety and sanitation regulations, as such fire prevention, security, safety and sanitation regulations may be promulgated from time to time by Landlord. All work done by Tenant shall be done in a good and workmanlike manner and in compliance with all applicable Laws.

(d) Any mechanics' lien filed against the Premises or the Building for work done by or materials furnished to Tenant (except Landlord's Work) shall be discharged by Tenant at Tenant's expense within twenty (20) Business Days thereafter by making the required cash deposit into court, by filing of the bond permitted by Law, by payment, by satisfaction or otherwise. Should Tenant fail to discharge any such lien within said twenty (20) Business Days, Landlord may, at its option, terminate this Lease, pay or otherwise discharge such lien, or pursue any or all of the other remedies provided in this Lease, and Tenant shall pay Landlord on demand as Additional Rent any sums paid by Landlord together with interest thereon at the Default Rate.

(e) Unless Landlord requires their removal as set forth hereinabove, all alterations, additions, improvements and installations which may be made to the Premises shall become the property of Landlord upon installation and remain upon and be surrendered with the Premises. Notwithstanding the provisions of this Section, Tenant's personal property and moveable trade fixtures, other than that which is affixed to the Premises so that it cannot be removed without damage to the Premises or the Property, shall remain the property of Tenant and may be removed by Tenant at any time during the Term so long as no Tenant Default has occurred and is continuing. Upon surrender of the Premises, Tenant agrees to repair within a reasonable time any damage to the Property caused by, or in connection with, the removal of any articles of personal property, business or trade fixtures, alterations, improvements and installations, including repairing the floor and patching and painting the walls where reasonably required by Landlord, except for ordinary wear and tear.

13. Building Services. Landlord shall provide, within the preventive maintenance and building service standards established by Landlord from time to time (the current version of which shall be provided by Landlord to Tenant not later than February 1, 1995 and shall be reasonably agreeable and satisfactory to Tenant), the following services and facilities:

- (a) Heating, air conditioning and ventilating using design criteria based on summer outside temperatures of 90° dry bulb while maintaining 75° dry bulb conditions indoor and winter outside temperature of 0° dry bulb while maintaining 70° dry bulb conditions during Normal Business Hours. Should Tenant, with reasonable advance notice to

Landlord, require heating, ventilating, or air conditioning service (other than during periods when such heating, ventilating or air conditioning equipment is shut down for maintenance or renovation work being conducted in the Building) on days or hours other than Normal Business Hours, Landlord shall furnish such additional service and Tenant agrees to pay the sum of \$20.00 per hour per floor for providing such additional service during the Initial Term and the standard charge established by Landlord from time to time during the Renewal Terms (if any) for providing such additional service. Landlord's charge as established from time to time for providing such service shall be billed and paid as Additional Rent.

- (b) Electric energy consumption for Building standard level of illumination during Normal Business Hours using standard fixtures of Landlord's choice and for ordinary small business equipment and fixtures at an average of 5 watts per usable square foot. Should Tenant, with reasonable advance notice to Landlord, require electric energy consumption on days or hours other than Normal Business Hours, Landlord shall furnish such additional service and Tenant agrees to pay the sum of \$5.00 per hour per floor for providing such additional service during the Initial Term and the standard charge established by Landlord from time to time during the Renewal Terms (if any) for providing such additional service. Landlord's charge as established from time to time for providing such service shall be billed and paid as Additional Rent. Usage above an average of 5.0 watts per useable square foot shall be verified by an electrical survey completed during Normal Business Hours performed by Landlord at Landlord's expense. In addition, and at a minimum, Landlord shall verify survey assumptions by actual meter readings on each floor within the Premises using an Amprobe Meter #LAA3E, Emon Demon or equivalent meter for not less than thirty consecutive days per electrical closet per floor, the cost of such metering to be borne one-half by Tenant and one-half by Landlord. A hard copy of these results shall be rendered to Tenant along with an invoice for the use of the additional consumption above the average of 5.0 watts per useable square foot, which invoice shall be paid with the payment of Tenant's next monthly rental payment as Additional Rent. The amount of each month's invoice shall be computed as follows:

The Building's average cost per kwh during the previous year multiplied by (Tenant's average watts per useable square foot minus 5.0 watts per useable square foot) multiplied by 1 kilowatt/1000 watts multiplied by the useable square footage within the Premises multiplied by the number of Normal Business Hours in the month.

This additional charge shall continue for twelve consecutive months at a cost equal to the Building's average cost per kwh in the previous year. In the event Tenant is required to pay for additional electric energy consumption under the above formula, Landlord shall perform an annual survey to update the additional wattage charge, if any, and metering, the cost of which shall be borne in accordance with the foregoing.

- (c) Maintenance and service of the public restrooms in the Building, including the plumbing system.
- (d) Elevator service substantially comparable to that which is provided in the Building on the date hereof.
- (e) Janitorial service described on Exhibit G, attached hereto and made a part hereof, as such services may be reasonably amended from time to time by Landlord.
- (f) Hot and cold water for lavatory and drinking purposes.
- (g) Property security of 24-hour per day, 365 days per year guard coverage at the lobby console. After Normal Business Hours, the security guard will perform a security check to ensure all non-essential electrical devices are turned off or set back (i.e., coffee pots, lights, electric heaters, etc.). Refer to Exhibit C, Rules and Regulations, Item Number 9, for after hours access requirements.
- (h) Maintenance and repair of: (i) the HVAC System, the life safety system and exhaust systems installed by Landlord in the Property (including the Premises), (ii) the Land and (iii) the Base Building.
- (i) Reasonable access to the loading dock.
- (j) A listing in the Building directory located in the lobby of the Building.

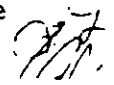
Landlord shall not be liable in damages or otherwise for delay or failure in furnishing any of the foregoing services or facilities, where such delay or failure is excusable pursuant to the provisions of Section 29 hereof. In no event shall such delay or failure, regardless of cause, constitute an eviction of Tenant or termination of this Lease (except as provided below and in Section 25(b)(ii) of this Lease). Notwithstanding the foregoing, in the event that (i) a total stoppage of the HVAC system, electricity or elevator service renders all or any portion of the Premises unusable, (ii) such condition shall continue for a period in excess of two (2) consecutive Business Days after notice by Tenant to Landlord of such condition (which notice need not be in writing), (iii) such stoppage is caused by the negligence, gross negligence or willful misconduct of Landlord or Landlord's contractors, employees or agents, (iv) such stoppage is not caused in whole or in part by Tenant or any contractor, employee or agent of Tenant and (v) Tenant actually vacates the Premises (or such portion of the Premises affected), the Rent shall be abated for the number of consecutive Business Days that the stoppage continues from the commencement of such stoppage (such Rent to be prorated in the event that only a portion of the Premises is affected); provided, that Landlord shall have the right to cause temporary remedial measures to be effected. Landlord shall in no event be liable for damages to Tenant from any stoppage of service described in the foregoing sentence; provided that Landlord shall reimburse Tenant for all reasonable direct out-of-pocket costs incurred by Tenant from such stoppage of service (including the reasonable out-of-pocket costs of temporary office space during such interruption of service but excluding any incidental or consequential damages) to the extent that such costs exceed the Rent abated under this Section.

14. Assignment and Subletting. Tenant, for itself, its successors, legal representatives and assigns, expressly covenants that Tenant shall not, either voluntarily or by operation of law, assign, transfer, mortgage (other than a mortgage of the Tenant's leasehold interest) or otherwise encumber this Lease (or part thereof) or sublet the Premises or portion thereof or permit the Premises or any part thereof to be used or occupied by anyone other than Tenant without the prior written consent of Landlord, which consent shall not be unreasonably withheld. For purposes of this Section 14, "assignment" shall include the transfer, sale or other alienation of fifty percent (50%) or more of the legal or equitable ownership of Tenant (whether through one or more transactions), a sale, transfer or other alienation, of a material part of the assets of Tenant but shall not include a merger or consolidation of Tenant. Landlord shall consent to any assignment of this Lease to any affiliate of Tenant, where affiliate means any corporation or entity (A) which directly or indirectly owns fifty percent (50%) or more of the voting interest in Tenant or (B) fifty percent (50%) or more of the voting interest of which is directly or indirectly owned by Tenant or any corporation or entity identified in Subsection 14(A) above. In the event of any

assignment or sublease, Tenant shall promptly notify Landlord thereof in writing. In the event of any assignment or sublease, Tenant shall not be released from its obligations under this Lease, notwithstanding any amendment, modification, supplement or extension thereafter made with respect to this Lease by Landlord; provided that Tenant shall not be bound by any amendment, modification, supplement or extension which increases Tenant's obligations or liabilities hereunder; provided, further, that Tenant shall be liable for the exercise of any rights of Tenant under this Lease by any assignee or sublessee of Tenant which rights exist on the date of the assignment or sublease. No consent given by Landlord to any assignment or subletting shall be construed to be a consent to any further assignment of this Lease or subletting of the Premises by Tenant or any other party, and Landlord's right to withhold its consent with respect thereto is hereby expressly reserved.

In the event Tenant or any of its permitted assignees or subtenants should desire to assign this Lease or sublet the Premises or any part hereof other than as permitted above, Tenant shall give Landlord written notice at least twenty (20) days in advance of the date on which Tenant desires to make such assignment or sublease, which notice shall specify: (a) the name, address and business of the proposed assignee or sublessee, (b) the amount and location of the space in the Premises affected, (c) the proposed effective date and duration of the subletting or assignment, (d) a certified financial statement indicating the financial worthiness of the proposed assignee or subtenant, and (e) a copy of the proposed sublease or instrument of assignment which shall include the proposed rent to be paid by said sublessee or assignee. Landlord shall have a period of twenty (20) days following receipt of such notice (and such additional information reasonably requested by Landlord) within which to notify Tenant in writing that Landlord elects either (i) to terminate this Lease as to the space so affected as of the date so specified by Tenant, in which event Tenant will on that date be relieved of all further obligations to pay Rent as to such space (such reduction in Rent to be prorated based on the Rentable Area of the remaining portion of the Premises)*; or (ii) to permit Tenant to assign this Lease or sublet such space, in which event if the proposed rental and other sums payable by such assignee or subtenant are greater than the Rent under this Lease, then one-half (1/2) of such excess sums averaged over the remaining Lease Term shall be deemed Additional Rent owed by Tenant to Landlord under this Lease (provided that the full amount of such excess shall be deemed Additional Rent if it relates to any portion of the Premises subleased or assigned, which portion of the Premises Tenant has occupied for less than one (1) full year), and one-half (1/2) of such excess or the full amount of such excess, as applicable, including any subsequent increases due to escalation or otherwise, shall be paid by Tenant to Landlord immediately upon receipt without demand, set-off or deduction, in the same manner that Tenant pays the Rent; or (iii) to withhold Landlord's consent and to continue this Lease in full force and effect as to the entire Premises. If Landlord should

* (provided that the option set forth in this Subsection (i) may only be exercised if such request relates to an assignment of the Lease or a sublease of all or a portion of the Premises for a term of two (2) years or ore).



fail to notify Tenant in writing of such election within said twenty (20) day period, Landlord shall be deemed to have elected option (iii) above. The provisions of this Section shall be binding on all successive assignees and subtenants.

Tenant shall not advertise space for assignment or subleasing, either directly or through a real estate agent or otherwise, without the prior written approval of Landlord, which approval shall not be unreasonably withheld. Landlord may, at Landlord's discretion, withhold Landlord's approval of the advertisement of a per square foot rental rate.

15. Access to Premises. Landlord and its employees, servants and agents shall have the right to enter the Premises at all reasonable times for the purpose of examining or inspecting the Premises to see that Tenant is complying with all of its obligations hereunder, showing the same to prospective purchasers, mortgagees, or tenants of the Building, performing janitorial and cleaning services, and making such alterations, repairs, improvements or additions to the Premises or other portions of the Property as Landlord may deem necessary or appropriate, and Landlord shall be allowed to take all material into and upon the Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and the Rent shall in no way abate while said alterations, repairs, improvements or additions are being made by reason of loss or interruption of business of Tenant or otherwise. Landlord shall use reasonable efforts to not interfere with Tenant's quiet use and enjoyment of the Premises in performing repairs and maintenance of the Property other than the Premises. Landlord shall use reasonable efforts to notify Tenant's lease administrator(s) (the names of which shall be provided to Landlord and who shall be available to Landlord during Normal Business Hours) of the need for access to the Premises except for (i) janitorial services, (ii) security services, (iii) other contractors or employees of Landlord as are agreed upon by Landlord and Tenant or Landlord services which are of a repetitive nature as agreed upon by Landlord and Tenant, or (iv) an emergency. Landlord shall comply with Tenant's security system in effect from time to time of which Landlord has been given notice, provided that such security system shall not preclude entry by Landlord and its employees, servants and agents to the Premises at reasonable times for the foregoing purposes. Except in an emergency, Landlord shall perform repairs and maintenance other than during Normal Business Hours if Tenant notifies Landlord that the conduct of such work will unduly interfere with Tenant's quiet use and enjoyment of the Premises; provided, that if work to be performed other than during Normal Business Hours requires the payment of overtime or premium rates, Landlord will, prior to undertaking such work, so notify Tenant, and if approved by Tenant, Tenant will pay the overtime or premium charges to Landlord upon demand as Additional Rent. If representatives of Tenant shall not be present to open and permit entry into the Premises at any time when such entry by Landlord is necessary because of an emergency, Landlord may forcibly enter

the Premises without liability to Tenant and without such entry constituting an eviction of Tenant or termination of this Lease.

16. Repairs.

- (a) Subject to the other provisions of this Lease, Landlord shall make those repairs necessary to maintain in good working condition the Property to the extent included in the Building services described in Section 13 of this Lease; provided, however, that Landlord shall not be obligated to make any such repairs (i) until the expiration of a reasonable period of time after Landlord has actual knowledge that such repair is needed, (ii) caused by any act or omission of Tenant or its employees, agents, invitees, licensees, subtenants or contractors (except ordinary wear and tear) or (iii) which relate to Tenant's trade fixtures, personal property, equipment or alterations or improvements to be removed by Tenant at the expiration of the Term. The cost of repairs by Landlord under this Section 16(a) shall be borne by Landlord and included in Operating Expenses to the extent permitted in Section 9 hereof.
- (b) In addition to the foregoing, Landlord shall make all repairs necessary to maintain the Premises in good working condition (including light fixtures); provided, however, that Landlord shall not be obligated to make any such repairs (i) until the expiration of a reasonable period of time after Landlord has actual knowledge that such repair is needed, (ii) caused by any act or omission of Tenant or its employees, agents, invitees, licensees, subtenants or contractors (except ordinary wear and tear) or (iii) which relate to Tenant's trade fixtures, personal property, equipment or alterations or improvements to be removed by Tenant at the expiration of the Term. The cost of all repairs by Landlord under this Section 16(b) shall be borne by Tenant and Tenant shall pay Landlord's charges therefor within thirty (30) days after receipt of invoice as Additional Rent.
- (c) Except as Landlord is obligated to perform repairs as provided hereinabove, Tenant shall repair or direct others to repair, at Tenant's sole cost and expense, all items necessary to maintain the Premises and shall keep the Premises and the fixtures therein neat and in good, operable and orderly condition, ordinary wear and tear excepted. All repairs by Tenant shall be of the same quality as those done by Landlord and be done in a good and workmanlike manner.

- (d) Except as set forth in Section 18 of this Lease below, neither Landlord or Tenant shall be liable by reason of any injury to or interference with Tenant's or Landlord's business arising from the making of any repairs, alterations, additions or improvements in or to the Premises or any other portion of the Property or to any appurtenances or equipment therein. There shall be no abatement of Rent because of such repairs, alterations, additions or improvements, except as expressly provided in Sections 13 and 19 hereof. Landlord and Tenant shall use their respective best efforts to avoid interference with Tenant's use of the Premises and interference with other tenants in the Building.
- (e) Notwithstanding any provisions herein, neither Landlord nor Tenant shall be liable for any damage occasioned by plumbing, electrical, gas, water, steam or other utility pipes, systems or facilities or by the bursting, stopping, leaking or running of any tank, sprinkler, washstand, water closet or pipes in or about the Premises or any other portion of the Property; nor for any damage occasioned by water being upon or coming through or around the roof or any flashing, window, skylight, vent, door, or the like; nor for any damage arising out of any acts or neglect of other tenants or occupants of the Building, occupants of adjacent property or the public, unless caused by the negligence, gross negligence or willful misconduct of Landlord or Tenant or their agents or employees (in which event the liability shall be allocated in the manner set forth in Section 18 hereof).

17. Surrender of Premises. At the end of the Term, Tenant shall surrender the Premises to Landlord in broom-clean condition and in good order and repair except for damage caused by Landlord or any of its agents, representatives or other tenants or for normal wear and tear for which Tenant is not obligated to make repairs under this Lease. If no Tenant Default has occurred and is continuing, Tenant shall have the right at the end of the Term to remove any personal property and trade fixtures to the extent permitted in Section 12 hereof. Tenant shall surrender the Premises to Landlord at the end of the Term without notice of any kind. Tenant waives the notice to surrender under the Landlord and Tenant Act of 1951, as amended on the date of this Lease (except upon a Landlord Default). The provisions of this Section shall survive the termination of this Lease.

18. Indemnification and Liability.

- (a) Tenant shall indemnify, hold harmless and defend Landlord from and against any and all costs, expenses (including reasonable counsel fees and costs), liabilities, losses, damages, suits, actions, fines, penalties, claims or demands of any kind arising out of or in any way connected with, and Landlord shall not be liable to Tenant on account of: (i) any negligent, grossly negligent or willful failure by Tenant to perform any of the agreements, terms, covenants or conditions of this Lease required to be performed by Tenant; (ii) any failure by Tenant to comply with any Laws applicable to the use or occupancy of the Premises, or (iii) any accident, injury or damages to any person or property occurring in, on or about the Premises, or any accident, injury or damages to any person or property occurring in, on or about any other part of the Property if caused by reason of the negligence, gross negligence or willful misconduct of Tenant, its agents, contractors, licensees, invitees or employees.
- (b) Landlord shall indemnify, hold harmless and defend Tenant from and against any and all costs, expenses (including reasonable counsel fees and costs), liabilities, losses, damages, suits, actions, fines, penalties, claims or demands of any kind arising out of or in any way connected with, and Tenant shall not be liable to Landlord on account of: (i) negligent, grossly negligent or any willful failure by Landlord to perform any of the agreements, terms, covenants or conditions of this Lease required to be performed by Landlord, (ii) any failure by Landlord to comply with any Laws relating to the Property (other than the use and occupancy of the Premises), or (iii) any accident, injury or damages to any person or property occurring in, on or about the Property occasioned by reason of the negligence, gross negligence or willful misconduct of Landlord, its agents, contractors, licensees, invitees or employees.
- (c) Except as otherwise provided in Sections 18(a) and (b) above, each party hereto releases and relieves the other, its agents, and employees from all liability in connection with any and all loss of life, personal injury, damage to or loss of property, or loss or interruption of business occurring to the releasing party, its agents, servants, employees, invitees, visitors, or any other person, firm, corporation or entity, in or

about or arising out of, in or upon the Premises, Building, the common areas, or in the Property.

- (d) This Section 18 shall survive the termination of this Lease.

19. Fire or Other Casualty; Waiver of Subrogation.

- (a) In the event that the Property shall be damaged in whole or in part as a result of the fault or neglect of Tenant or any of its servants, employees, agents, invitees or licensees, then Tenant shall promptly repair and restore the same, and the Rent shall not be abated or apportioned. Any election by Landlord to repair or restore the Property or any portion thereof after any damage caused in whole or in part by the fault or neglect of Tenant or any of its servants, employees, agents, invitees or licensees shall not relieve Tenant of any responsibility under this Lease.
- (b) In the event that the Property shall be damaged by casualty and Tenant shall not have the obligation to repair or restore the same as provided in subsection (a) above, then, if the same can be restored within one hundred and eighty (180) days after such casualty, Landlord shall commence the restoration of the same promptly upon settlement of such loss with all insurance carriers and shall diligently complete the same, subject to delays as provided in Section 29 of this Lease. In the event that the Property can not be restored within one hundred and eighty (180) days, Landlord may, at Landlord's option, elect not to repair (provided that Landlord terminates all leases with respect to the Property), in which event Landlord shall so notify Tenant not later than sixty (60) days after the casualty, and this Lease shall terminate effective as of the date of such casualty. Unless otherwise provided herein, Landlord have no obligation to repair any damage to any of Tenant's personal property or trade fixtures. In the event that the Property shall be damaged by casualty, then even if Landlord shall not have the obligation to restore the same, it may in its sole discretion elect to do so. In the event that Landlord shall not have completed the restoration within one hundred eighty (180) days after such casualty, subject to delays as provided in Section 29 of this Lease, then Tenant shall have the right to terminate this Lease as its sole remedy against Landlord. In no event shall Tenant have any right to terminate this Lease if such damage is caused in whole or in part by the fault or neglect of Tenant or any of its servants,

employees, agents, invitees or licensees. Except as provided in subsection (a), in the event that the Premises are totally destroyed by fire or other casualty, the entire Rent shall be abated during the period of restoration; if less than the entire Premises is destroyed, the Rent shall be apportioned during the period of any restoration according to the part of the Premises which is usable by Tenant and shall in all events recommence upon the completion of such restoration by Landlord. The Rent shall be abated in accordance with the foregoing sentence notwithstanding the exception to Section 29 hereof relating to the payment of Rent.

- (c) Tenant shall insure all improvements, additions and alterations to the Premises (including the Tenant's Work) and all its fixtures and personal property therein. In the event of any casualty, all Tenant's insurance proceeds payable as a result of such casualty (other than proceeds as a result of damage to Tenant's personal property which Tenant is entitled by this Lease to remove upon the expiration of the Term) shall be paid directly by Tenant's insurer to Landlord. Tenant shall name Landlord as a loss payee on all property insurance policies of Tenant with respect to the Premises. In the event that this Lease shall be terminated as provided in this Section, Landlord shall have the right to all insurance proceeds assigned to Landlord pursuant to this subsection. In the event that this Lease shall not be so terminated, Landlord shall have the right to retain such proceeds to the extent required by Landlord to defray the cost of restoration of the Premises as provided in subsection (b) above. All such insurance policies shall, unless waived by Landlord, be written in a manner that the insurance company waives all right of recovery by way of subrogation against Landlord. As long as such provisions are included in and to the extent that such a waiver is permitted under Tenant's property insurance policies then in force, Tenant waives any right of recovery against Landlord for any loss or damage to property occasioned by fire or other casualty to the extent that the amount of such loss or damage is insured under such policies. In the event that at any time Tenant's property insurance carriers shall not permit such waivers in Tenant's property insurance policies, the waivers set forth in the foregoing sentence shall be of no further force or effect.

Tenant shall have the right to request Landlord's insurance carrier to add an endorsement to Landlord's property insurance policies to the effect that such policies shall not be invalidated should the insured waive, in writing, prior to loss, any or all right of recovery against any party for loss occurring to the Building. As long as such provisions are included in and to the extent that such a waiver is permitted under Landlord's property insurance policies then in force, Landlord hereby waives any right of recovery against Tenant for any loss or damage to property occasioned by fire or other casualty to the extent the amount of such loss or damage is insured under such policies. In the event that at any time Landlord's property insurance carriers shall not permit such waivers in Landlord's property insurance policies, the waivers set forth in the foregoing sentence shall be deemed of no further force or effect.

20. Insurance.

- (a) Tenant shall procure at its cost and expense and keep in effect during the Term (i) comprehensive general liability insurance including general liability with a minimum combined single limit of liability of \$1,000,000; and (ii) reasonable and customary property insurance in amounts sufficient to repair or replace Tenant's personal property and any improvements or betterments made by Tenant as more fully described in Section 19(c) above. Such insurance shall name Landlord as an additional insured. The amount of such insurance shall not be construed to limit the liability of Tenant hereunder. Such insurance shall provide that Landlord shall receive thirty (30) days' written notice from the insurer prior to any cancellation or change of coverage. Tenant shall deliver policies of such insurance or certificates thereof to Landlord on or before the date of this Lease and thereafter at least thirty (30) days before the expiration dates of expiring policies and at such other reasonable times as requested by Landlord. The obligations of Tenant under this Section are in addition to any other obligations of Tenant in this Lease regarding insurance.
- (b) Tenant and Landlord agree, at their own cost and expense, to comply with all of the rules, regulations and recommendations of the Fire Insurance Rating Organization having jurisdiction and any similar body. If, at any time and from time to time, as a result of or in connection with any failure by Tenant to comply with the foregoing

sentence or any act of omission or commission by Tenant, its employees, agents, contractors or licensees, or as a result of or in connection with the use to which the Premises are put (notwithstanding that such use may be for the purposes hereinbefore permitted or that such use may have been consented to by Landlord), the fire insurance rate(s) and/or rent insurance rates applicable to the Premises, or the Building, or to any other premises in the Building, or to any adjacent property owned or controlled by Landlord or an affiliate of Landlord, and/or to the contents in any or all of the aforesaid properties shall be higher than that which would be applicable for the least hazardous type of occupancy legally permitted therein, Tenant agrees that it will pay to Landlord, on demand, as Additional Rent, such portion of the premiums for all fire insurance policies and/or rent insurance in force with respect to the aforesaid property and the contents of any occupant thereof and shall be attributable to such higher rate(s). If Tenant installs any electrical equipment that overloads the lines in the Premises or the Building, Tenant shall, at its own cost and expense, promptly make whatever changes are necessary to remedy such condition and to comply with all requirements of the Landlord and the Fire Insurance Rating Organization and any similar body and any governmental authority having jurisdiction thereof. For the purpose of this Subsection, any finding or schedule of the Fire Insurance Rating Organization having jurisdiction thereof shall be deemed to be conclusive. In the event that this Lease so permits and Tenant engages in the preparation of food or packaged foods or engages in the use, sale or storage of flammable or combustible material, Tenant shall install chemical extinguishing devices (such as ansul) approved by the Fire Insurance Rating Organization having jurisdiction and shall keep such devices under service as required by such organization. If gas is used in the Premises, Tenant shall install gas cutoff devices (manual or automatic).

21. Condemnation. In the event that all of the Land and Building are taken for any public or quasi-public use or purpose in eminent domain proceedings, or in the event all of the Land and Building are conveyed to a governmental authority or other entity having the power of eminent domain ("condemning authority") in lieu of such proceedings, this Lease shall terminate upon the date when the possession shall be surrendered to said condemning authority (without prejudice to Tenant's rights to recover damages from the condemning authority as hereinafter provided) and any prepaid Rent and other payments and

credits attributable to periods after such termination date shall be refunded to Tenant. Tenant shall be entitled to seek from the condemning authority compensation for the taking of Tenant's leasehold interest and Tenant's tangible property, for Tenant's removal and relocation costs and/or for Tenant's loss of business and/or business interruption.

In the event eminent domain proceedings shall be instituted in order to take twenty-five (25%) or more of the Building, or a lesser amount if such taking renders the remainder of this Building unuseable without structural alteration or reconstruction, or if the grade of any street or alley adjacent to the Land is changed so that, as a result of either such event, structural alteration or reconstruction of a portion of the Building is necessary in Landlord's reasonable judgment, *Landlord may elect to terminate this Lease by giving Tenant not less than ninety (90) days' notice of termination prior to a termination date specified in such notice (without prejudice to Tenant's rights to recover damages from the condemning authority as hereafter provided) and any prepaid Rent and other payments and credits attributable to periods after such termination date specified in such notice shall be refunded to Tenant. In the event that the result of any eminent domain proceeding (after any repairs or alterations by Landlord which Landlord elects to make) will materially affect Tenant's use of the Premises, Tenant may elect to terminate this Lease by written notice to Landlord not less than ninety (90) days' prior to a termination date specified in such notice, such notice to be provided to Landlord not less than ninety (90) days after notice to Tenant of the eminent domain proceedings. In the event of any such termination, Tenant shall be entitled to seek from the condemning authority compensation for the taking of Tenant's leasehold interest and Tenant's tangible property for Tenant's removal and relocation costs and/or for Tenant's loss of business and/or businesses interruption. If Landlord and Tenant do not so elect to terminate this Lease, this Lease shall be and remain in full force and effect for the balance of the Term, except that Rent shall be proportionately abated to the extent of any portion of the Premises taken.

22. Subordination and Attornment. In the event that Landlord wishes to mortgage all or any portion of the Property and the proposed mortgagee requests that Tenant subordinate Tenant's interest in this Lease, Tenant will subordinate this Lease to all such mortgages. Such subordination shall be self-operative, and no further instrument of subordination shall be required by any mortgagee. However, in confirmation of such subordination, within forty (40) days after receipt of such request by Landlord, Tenant shall execute and deliver promptly any certificates or other written assurances, designed to give effect to or provide evidence of the same which Landlord may request. In addition, if required, Tenant shall use Tenant's best efforts to obtain the necessary release of its leasehold interest from its mortgage lien. In the event that Tenant fails to execute and deliver any such certificates or other written

* and Landlord elects to terminate all leases with respect to the Building,

assurances within such forty (40) days, Tenant hereby constitutes and appoints Landlord Tenant's attorney in fact, the same being coupled with an interest, to execute and deliver any certificates and other assurances for and on behalf of Tenant consistent with the foregoing, such power of attorney being strictly limited to the purposes set forth in this Section. In the event of a sale in foreclosure of any mortgage to which this Lease is subordinate, or a transfer in lieu of foreclosure, or a taking of possession of the Property by the mortgagee or other person acting for or through the mortgagee under any mortgage to which this Lease is subordinate, then, and upon the happening of any such events, Tenant shall attorn to and recognize the purchaser as the party who, but for this Lease, would be entitled to possession of the Premises.

23. Estoppel Certificates. Tenant and Landlord shall, at any time and from time to time, within a period of ten (10) days following receipt of a written request from the other party hereto, execute, acknowledge and deliver to such requesting party a written statement certifying (a) that a true and correct copy of this Lease is attached to such statement, (b) that this Lease is in full force and effect and unmodified (or, if modified, stating the nature of such modification and attaching a copy thereof), (c) the date to which the Rent has been paid, (d) that there are not, to the best of such certifying party's knowledge, any uncured defaults on the other party's part hereunder, or specifying such default if any are claimed, and (e) as to such other matter as the requesting party or any prospective purchaser or mortgagee may reasonably request. Each such certificate shall be in the form of Exhibit D, attached hereto and made a part hereof, with such modifications and additions as any prospective purchaser or mortgagee may reasonably request. Any such statement may be relied upon by the requesting party and any prospective purchaser or mortgagee of all or any part of the Property or the requesting party's interest in this Lease. A party's failure to deliver such statement within the said period shall be conclusive upon such party that this Lease is in full force and effect and unmodified, and that there are no uncured defaults in the other party's performance hereunder.

24. Tenant Default and Remedies.

- (a) Tenant Default. The occurrence of any of the following shall, at Landlord's option, constitute a Tenant Default:
- (i) A failure by Tenant to pay any Rent or other sums reserved herein, where such failure continues for ten (10) Business Days after such sum is due (provided that Tenant shall not be in default if Tenant fails to pay any Additional Rent with respect to which Tenant, in good faith, has disputed Tenant's obligation to pay such Additional Rent and

has provided Landlord with written notice of the basis for such dispute);

- (ii) Any removal or attempted removal of any of Tenant's personal property, fixtures or equipment without Landlord's prior approval other than in the normal and usual operation of Tenant's business within the Premises;
- (iii) The filing of any lien against the Property or any portion thereof or interest therein as a result of the act or omission of the Tenant which is not discharged or released within twenty (20) Business Days thereafter;
- (iv) Except as provided in Section 24(c) below, any violation by Tenant of Section 10 of this Lease and the continuation thereof for a period of twenty (20) Business Days after receipt of written notice thereof by Landlord or after Tenant shall otherwise become aware thereof;
- (v) Any violation by Tenant of Section 14 or Section 17 of this Lease;
- (vi) Any violation by Tenant of Section 15 of this Lease and the continuation thereof for a period of twenty-four (24) hours after notice by Landlord (which notice need not be in writing);
- (vii) Any violation of the first two sentences of Section 20(a) of this Lease;
- (viii) Except as provided in Section 24(a)(vii) above, any violation of any other provision of Section 20 of this Lease, where such failure continues for five (5) Business Days after receipt of written notice thereof by Landlord or after Tenant shall otherwise become aware thereof;
- (ix) Any failure by Tenant to comply with Section 23 of this Lease, where such failure continues for five (5) Business Days after receipt of written notice thereof by Tenant from Landlord;
- (x) A failure by Tenant to observe and perform any other provision or covenant of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after receipt of written notice thereof from Landlord to Tenant, specifying the nature of

said default (unless before such date the specified default at the time existing under this Lease shall have been fully cured, or in case of a default being of such nature that the same cannot be completely cured or remedied within said thirty (30) day period, Tenant shall then be diligently proceeding to remedy or cure such default and shall promptly complete such remedy or cure); or

- (xi) The making by Tenant of any assignment for the benefit of creditors; the adjudication that Tenant is bankrupt or insolvent; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days after the filing thereof); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located in the Premises or of Tenant's interest in this Lease (unless possession is restored to Tenant within thirty (30) days after such appointment); or the attachment, execution or levy against, or other judicial seizure of substantially all of Tenant's interest in this Lease (unless the same is discharged within thirty (30) days after issuance thereof).

(b) Landlord Remedies. In the event of a Tenant Default, Landlord may exercise any of the following remedies, which shall be cumulative and not exhaustive (and the exercise of any remedy shall not preclude the exercise of any other remedy):

- (i) Landlord, at its option, may terminate this Lease upon and by giving written notice of termination to Tenant.
- (ii) Landlord may enter the Premises (without thereby incurring any liability to Tenant and without such entry being constituted an eviction of Tenant or termination of this Lease) and take possession of the Premises and all personal property of every kind on the Premises, and Landlord may (A) apply against the accelerated Annual Minimum Rent becoming payable to Landlord and the expenses, including reasonable attorneys' fees, which Landlord may have incurred in connection with such repossession, either the

value of such personal property or the proceeds, after selling expenses, from the sale of such personal property, whichever Landlord chooses to do, and (B) at any time at its option rent the Premises or any part thereof for the account of Tenant, for such terms, upon such conditions and at such rental as Landlord may reasonably elect. In the event of such rental, (i) Landlord shall receive and collect the rent therefrom and shall first apply such rent against such reasonable expenses as Landlord may have incurred in recovering possession of the Premises, placing the same in good order and condition, altering or repairing the same for rental, and such other expenses, commissions and charges, including reasonable attorneys' fees, and then shall apply such rent against other sums payable by Tenant to Landlord, and (ii) Landlord may execute any lease in connection with such rental in Landlord's name, for a term which may be shorter, longer or the same as the remainder of the Term under terms and conditions determined solely by Landlord and the tenant of such rental shall be under no obligation to see to the application by Landlord of any rent collected by Landlord. No justified re-entry by Landlord shall be deemed to be an acceptance of a surrender by Tenant of this Lease or of the Premises. In the event that Landlord takes possession of the Premises, Landlord shall use reasonable efforts to mitigate damages, provided that Landlord shall have no obligation to rent the Premises prior to any other space in the Building.

- (iii) The Annual Minimum Rent reserved herein for the entire unexpired portion of the Term shall, at Landlord's option, thereupon immediately become due and payable.
- (iv) Landlord, without being under any obligation to do so and without thereby waiving any obligations of Tenant under this Lease, may perform the Tenant's obligations for the account and at the expense of Tenant. If Landlord makes any expenditures or incurs any obligations for the payment of money in connection therewith including reasonable attorneys' fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred, with interest at the Default Rate and costs, shall be paid by Tenant.

- (v) Landlord shall be entitled to enjoin such breach or threatened breach and shall have the right to invoke any right and remedy allowed at Law or in equity or by statute or otherwise.
- (c) Rules and Regulations. Notwithstanding any other provision of this Lease, Landlord's remedies upon a failure by Tenant to comply with the Rules and Regulations applicable to the Building, as they may be amended from time to time, within twenty (20) days after notice by Landlord to Tenant, shall be to (i) obtain damages, (ii) obtain equitable relief and/or (iii) exercise the rights set forth in Section 24(b)(iv) above. It is expressly agreed that such failure shall not constitute a Tenant Default.
- (d) Incidental and Consequential Damages. In no event shall Tenant be liable to Landlord for, and Landlord hereby expressly waives, any incidental and/or consequential damages, compensation or claims for inconvenience, annoyance or for loss of business or profits (except Rent hereunder), including those arising from any Tenant Default or the negligence, gross negligence or willful misconduct of Tenant or any employee, agent or contractor of Tenant.

25. Landlord Default and Remedies.

- (a) Landlord Default. The occurrence of any of the following shall, at Tenant's option, constitute a Landlord Default:
 - (i) A failure by Landlord to pay any sum payable by Landlord to Tenant, where such failure continues for ten (10) days after such sum is due; or
 - (ii) A failure by Landlord to observe and perform any other provision or to fulfill any covenant of this Lease to be observed, performed, or fulfilled by Landlord where such failure continues for thirty (30) days after receipt of written notice thereof from Tenant to Landlord, specifying the nature of said default (unless before such date the specified default at the time existing under this Lease shall have been fully cured, or in case of a default being of such nature that the same cannot be completely cured or remedied within said thirty (30) day period, Landlord shall

then be diligently proceeding to remedy or cure such default and shall promptly complete such remedy or cure).

(b) Tenant Remedies. In the event of a Landlord Default, Tenant may exercise any of the following remedies, which shall be cumulative and not exhaustive (and the exercise of any remedy shall not preclude the exercise of any other remedies):

(i) Tenant, without being under any obligation to do so, and without thereby waiving any obligations of Landlord under this Lease, may perform the Landlord's obligations for the account and at the expense of Landlord (provided that Tenant may exercise such right only if (A) such Landlord Default relates to the Premises or (B) such Landlord Default relates to a portion of the Property other than the Premises and such Landlord Default materially interferes with Tenant's quiet use and enjoyment of the Premises). If the Tenant makes any expenditures or incurs any obligations for the payment of money in connection therewith, including reasonable attorneys' fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred, with interest at the Default Rate and costs, shall be paid by Landlord. In the event that Landlord fails to reimburse Tenant for any sums expended by Tenant under this Section 25(b)(i) within twenty (20) Business Days after demand therefor, Tenant may, at Tenant's option, deduct such amount, together with interest at the Default Rate, from Additional Rent payable under this Lease (provided that Tenant may not deduct from Additional Rent amounts expended which are disputed by Landlord in good faith and which Landlord has given Tenant notice of the basis for such dispute).

(ii) Tenant may terminate this Lease if, and only if, (A) the Landlord Default results in a total stoppage of the HVAC system, electric or elevator service which renders all or substantially all the Premises unusable, (B) such condition shall continue for a period in

excess of sixty (60) consecutive Business Days after written notice by Tenant to Landlord of such condition, (C) such stoppage is not caused by the negligence, gross negligence or willful misconduct of Tenant or Tenant's contractors, employees or agents and (D) Tenant actually vacates the entire Premises for a period in excess of sixty (60) consecutive Business Days.

(iii) Tenant shall be entitled to enjoin such breach or threatened breach and shall have the right to invoke any right and remedy allowed at Law or in equity or by statute or otherwise.

(c) Incidental and Consequential Damages. In no event shall Landlord be liable to Tenant for, and Tenant hereby expressly waives, any incidental and/or consequential damages, compensation or claims for inconvenience, annoyance or for loss of business or profits including those arising from any Landlord Default, or the negligence, gross negligence or willful misconduct of Landlord, or any employee, agent or contractor of Landlord.

26. Attorneys' Fees. In the event of any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to recover all costs and expenses of such action or proceeding, including reasonable attorneys' fees. Such costs and expenses shall be deemed to have accrued on the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. In the event the action is refused by the courts or arbitrators or otherwise determined to be frivolous, the party that did not initiate the action shall be the prevailing party and entitled to recover all costs and expenses.

27. Waiver. The failure or delay on the part of either party to enforce or exercise at any time any of the provisions, rights or remedies in this Lease shall in no way be construed to be a waiver thereof, nor in any way to affect the validity of this Lease or any part hereof, or the right of either party to thereafter enforce each and every such provision, right or remedy. No waiver or any breach of this Lease shall be held to be a waiver of any other or subsequent breach. The receipt by Landlord of a lesser amount than the Rent due shall not be construed to be other than a payment on account of the Rent then due, nor shall any statement on Tenant's check or any letter accompanying Tenant's check be deemed an accord and satisfaction, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of the Rent due or to pursue any other remedies provided in this Lease.

28. Quiet Enjoyment. If and so long as no Tenant Default has occurred and is continuing, Tenant shall and may peaceably and quietly have, hold and enjoy the Premises for the Term.

29. Force Majeure. In the event that Landlord or Tenant shall be delayed or hindered in, or prevented from, the performance of any work, service or other act required under this Lease to be performed by Landlord or Tenant (except the payment of Rent by Tenant or the payment of any sum payable by Landlord to Tenant or other act specifically excluded from this Section 29 or as set forth in the last sentence of Section 19(b) of this Lease) and such delay or hindrance is due to strikes, lockouts, acts of God, governmental restrictions, enemy act, civil commotion, fire or other casualty, or other causes of a like nature beyond the control of such delayed party, then performance of such work, service, or other act shall be excused for the period of such delay and the period for the performance of such work or other act shall be extended for a period equivalent to the period of such delay. In no event shall such delay constitute a Default or termination of this Lease. The delayed party shall make reasonable efforts to minimize such delay.

30. Successors. The respective rights and obligations provided in this Lease shall bind and shall inure to the benefit of the parties hereto, their legal representatives, heirs, successors and permitted assigns; provided, however, that no rights shall inure to the benefit of any successor of Tenant unless Landlord's written consent for the transfer to such successor has first been obtained to the extent required by this Lease.

31. Governing Law. This Lease shall be construed, governed and enforced in accordance with the laws of the Commonwealth of Pennsylvania (except the conflict of law provisions thereof).

32. Separability. If any provision of this Lease shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall in no way be affected or impaired and such remaining provisions shall remain in full force and effect.

33. Captions. The table of contents, titles of sections and titles of exhibits to this Lease are for convenience and reference only and are in no way to be construed as defining, limiting or modifying the scope or intent of the provisions of this Lease.

34. Interpretation. As used in this Lease, the word "person" shall mean and include, where appropriate, an individual, corporation, partnership or other entity; the plural shall be submitted for the singular, and the singular for the plural, where appropriate. As used in this Lease, the word "including" shall mean "including without limitation" and the

items following the word "including" shall not be interpreted as limiting but shall be solely examples.

35. Notices. Any notice or demand required to be given by the terms and provisions of this Lease or by any Law either by Landlord to Tenant or by Tenant to Landlord shall be in writing, except as otherwise expressly provided herein. Unless otherwise required by such Law, such notice or demand shall be deemed to have been served and given by one party hereto and received by the other party two (2) days after such party shall have (a) deposited such notice or demand by certified United States mail addressed to Tenant at the Demised Premises or to Landlord as the address set forth above or (b) delivered personally to an officer, partner, or agent of such receiving party. Either party may, by notice as aforesaid, designate a different address or addresses for notice or demands to it.

36. Brokers. Each party represents and warrants that in this transaction, it has dealt with no real estate broker, that no one has or will represent it in this transaction and agrees to defend, indemnify and hold harmless the other party from and against any and all claims by any such broker, which obligation shall survive the termination of this Lease.

37. Interest. Tenant shall pay as Additional Rent on demand interest on all sums payable by Tenant to Landlord hereunder including Annual Minimum Rent and Additional Rent, at the Default Rate, commencing upon the date such payment was due (regardless of any other remedies exercised by Landlord or any cure period provided for in Section 24 hereof); provided that in the event that Tenant fails to pay any Additional Rent when due with respect to which Tenant in good faith has disputed Tenant's obligation to pay the same and provided Landlord with written notice of the basis for such dispute, Tenant shall pay interest only with respect to amount found owing to Landlord. Landlord shall pay on demand interest at the Default Rate on all sums payable by Landlord to Tenant hereunder commencing upon the date such payment was due (regardless of any other remedies exercised by Tenant or any cure period provided for in Section 25 hereof).

38. Landlord's Exculpatory. Anything contained in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of Landlord in the Land and Building and any insurance proceeds relating to the Property or to Landlord's liability for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord and no other property or assets of Landlord; provided that at all times during the Term, Landlord shall maintain as part of Landlord's general liability insurance, contractual liability insurance with limits of not less than \$1,000,000. In no event shall any property of any officer, director or shareholder of, or partner in, Landlord, become subject to levy, execution, attachment or other enforcement procedures for the satisfaction of Tenant's remedies. In addition, Tenant covenants and agrees that no personal liability

or responsibility is assumed by, nor shall at any time be asserted or enforceable against, any present or future officer, director or shareholder of, a corporate partner or partner in Landlord on account of any covenant, undertaking or obligation under or with respect to this Lease, all such personal liability and responsibility, if any, being expressly waived and released. If the property of which the Premises form a part is transferred or conveyed, Landlord shall be relieved of all covenants and obligations under this Lease thereafter accruing and Tenant shall look to such transferee thereafter, subject to the other limitations contained in this Section. This Section shall survive the termination of this Lease.

39. Compliance.

- (a) Tenant shall, at its expense, comply with all Laws and the local Board of Fire Underwriters with respect to the occupancy, use or manner of use of the Premises (except to the extent that such compliance relates to the acts of Landlord, or the agents, contractors or employees of Landlord). Tenant shall give Landlord prompt notice of any violation or recommendation of change of which it shall have received notice. Without limitation of the foregoing, Tenant shall, at Tenant's sole cost and expense, comply in all respects with the ADA, relating in any manner to the Premises or the conduct of the Tenant's business from the Premises. Tenant shall not do or permit to be done any act or thing which will invalidate or be in conflict with the Certificate of Occupancy. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business or occupancy of the Premises, Tenant shall procure and maintain such license or permit at all times during the Term and, upon request by Landlord, shall submit the same for inspection by Landlord. Tenant shall at all times comply with all terms and conditions of any such license or permit.
- (b) Landlord shall, at its expense, comply with all Laws and the local Board of Fire Underwriters with respect to the Property (other than the Premises). Without limitation of the foregoing, Landlord shall comply in all respects with the ADA and all rules and regulations promulgated relating in any manner to the Property (other than the Premises) to the extent Landlord reasonably believes necessary.

(c) In the event that any Law is enacted after the date of this Lease which is (i) not related to Tenant's use of the Premises, and (ii) requires a capital improvement to the Premises, and (iii) relates to a condition of the Premises existing prior to the date of this Lease, Landlord shall make such capital improvement to the Premises and Tenant shall reimburse Landlord upon demand as Additional Rent for a portion of the cost of such improvement, such portion to be equal to such total cost of such capital improvement multiplied by a fraction, the numerator of which shall be the number of months remaining in the Term and the denominator of which shall be the number of months in the useful life of the capital improvement as determined in accordance with U.S. Generally Accepted Accounting Principles (provided, that if Tenant exercises a renewal option pursuant to Section 3 hereof, Tenant shall also pay upon the commencement of the following Renewal Term(s) an additional sum equal to the cost of the capital improvement multiplied by a fraction the numerator of which will be the number of months of each such Renewal Term and the denominator of which will be the total number of months of the useful life of the capital improvement, determined as set forth above). Addendum on Page 42A is hereby made a part hereof.

40. Entire Agreement/Modifications. This Lease, including the Exhibits, contains all the agreements, conditions, understandings, representations and warranties made between the parties hereto with respect to the subject matter hereof and may not be modified orally or in any manner other than by an agreement in writing signed by both parties hereto or their respective successors in interest.

41. Counterparts. This Lease may be executed in counterparts.

42. Waiver of Jury Trial. Landlord and Tenant each waive the right to trial by jury in any action related to this Lease.

43. Public Portions of Building. Landlord shall have the right at any time, without thereby creating an actual or constructive eviction or incurring any liability to Tenant therefor, to change the size, arrangement or location of such portions of the Building as are not contained within the Premises including all entrances, passageways, doors and doorways, corridors, lobbies, stairs, restrooms and other portions of the Building. Nevertheless, in no event shall Landlord make any change which shall substantially interfere with access to the Premises or substantially interfere with Tenant's quiet use and enjoyment of the Property without Tenant's prior consent, which consent shall not be unreasonably withheld.

ADDENDUM

Addendum to Section 39(c) of Lease Between
Duquesne Light Company and Property Ventures, Ltd.

Tenant may, at Tenant's option, pay Tenant's portion of such capital improvements in equal monthly installments on the first day of each month over the remaining Term as Additional Rent, each such monthly payment to be the Tenant's portion of such capital improvement amortized over the remaining Term with interest calculated thereon at an interest rate of Prime on the date of completion of the capital improvements (and if Tenant exercises a renewal option pursuant to Section 3 hereof, Tenant shall pay over the Renewal Term as Additional Rent equal monthly payments on the first day of each month, monthly payments equal to Tenant's portion of such capital improvement relating to the Renewal Term, amortized over the length of the Renewal Term, at an interest rate of Prime on the commencement date of the Renewal Term).



44. Relocation. If at any time during the Term Landlord and Tenant so agree, Landlord may relocate Tenant from partial floors occupied by Tenant to other space in the Building for the unexpired portion of the Term. Such space shall be generally equivalent functionally to the Premises; provided that Tenant shall have the right to reasonably object to any such space by virtue of the floor, or location on a floor, of the Building on which such space shall be located. The Annual Minimum Rent shall be adjusted in proportion to which the rentable area of the relocated space bears to the rentable area of the Premises. Landlord shall bear all reasonable out-of-pocket expenses, including the redecorating of the new space in a manner comparable to the decor of the Premises, incurred in preparing the new space and in physically moving Tenant from the Premises to a new space.

45. Right of First Refusal.

- (a) If at any time during the Right of First Refusal Period, Landlord intends to market for lease all or any portion of the Building, Landlord shall give Tenant a Right of First Refusal Notice. If no Tenant Default has occurred and is continuing hereunder, Tenant may, at Tenant's option, exercise the Right of First Refusal set forth in this Section 45 for such offered space and lease the offered space, upon notice to Landlord given not later than twenty (20) Business Days after receipt of the Right of First Refusal Notice. A failure by Tenant to notify Landlord of Tenant's exercise of the Right of First Refusal in writing within such twenty (20) Business Days shall constitute a waiver of Tenant's Right of First Refusal, and Landlord may, at any time during the six (6) month period ending six (6) months after the date of the Right of First Refusal Notice, lease all or any portion of the offered premises without regard to this Section 45. In the event that Landlord fails to lease such offered premises within such six (6) month period, Landlord may not lease such premises thereafter without once again notifying Tenant in accordance with this Section. In addition, at any time that Landlord has not entered into a letter of intent or a lease for such offered premises, Tenant may, upon written notice to Landlord, exercise the Right of First Refusal.
- (b) The rights set forth in this Section 45 are subject and subordinate in all respects to:
- (i) the rights of tenants in the Building existing on the date of this Lease, (ii) renewal rights given to any current tenants or future tenants in the Building, (iii) any expansion rights in existence on the date of this Lease, and (iv) any

future expansion rights of current tenants or future tenants in the Building, provided that with respect to this Subsection 45(b) (iv): (A) no such expansion right shall give a tenant the right to lease rentable space in excess of fifty percent (50%) of the space such tenant is obligated to lease and (B) any such expansion right relating to any space located on the sixth, ninth or eleventh floors of the Building shall provide that (1) so long as such tenant has not exercised such tenant's expansion right, Tenant may exercise the Right of First Refusal for such expansion premises as set forth in the last sentence of Section 45(a) above, in which event such tenant's expansion option shall be of no further force or effect and (2) in the event that such tenant exercises such tenant's expansion right, Tenant may exercise Tenant's Right of First Refusal within twenty (20) Business Days after notice of such exercise to Tenant by Landlord, in which case such tenant's exercise of the expansion option shall be ineffective and such tenant's expansion option shall be of no further force or effect.

- (c) If Tenant properly exercises the Right of First Refusal, the Right of First Refusal Premises shall be leased by Tenant with no Landlord's Work with respect thereto other than to demolish space as specified by Tenant and "broom clean" as agreed upon by Landlord and Tenant. If the Right of First Refusal is exercised during the Initial Term, unless the Right of First Refusal Premises is retail space on the first floor of the Building, Landlord will provide an allowance for construction of Tenant's build-out of the Right of First Refusal Premises and a moving allowance in an amount equal to \$23.00 and \$2.00, respectively, per square foot of the Rentable Area of the Right of First Refusal Premises, multiplied by a fraction, the numerator of which shall be the number of months remaining in the Initial Term (if any) after the Right of First Refusal Commencement Date and the denominator of which shall be one hundred and twenty (120).
- (d) Commencing upon each Right of First Refusal Commencement Date, the Right of First Refusal Premises shall become a part of the Premises for the remainder of the Term, subject in all respects to the terms and conditions of this Lease. Tenant shall take possession of the Right of First Refusal Premises no later than the applicable Right of First Refusal Commencement Date. Tenant shall pay the Annual Minimum Rent (except as provided in Section 45(e) below) and Additional

Rent for the Right of First Refusal Premises on the same square footage basis, based upon the Rentable Area of the Right of First Refusal Premises, as shall be applicable to the Premises leased on the Commencement Date (including, without limitation, the same Base Year), it being expressly agreed that there shall be no initial abatement of Rent for the Right of First Refusal Premises.

- (e) Notwithstanding Section 45(d) above, in the event that the Right of First Refusal Premises are retail premises on the first floor of the Building, the Annual Minimum Rent shall be the fair market rental of equivalent space in the downtown Pittsburgh market. Landlord shall provide Tenant with a notice of Landlord's determination of the fair market rent and shall provide Landlord's supporting documentation therefor not later than sixty (60) days after the exercise of the Right of First Refusal by Tenant. Within ten (10) Business Days after receipt thereof, Tenant may either (i) object to such determination, and provide Landlord with Tenant's basis for such objection, in which event if the parties do not agree on the Annual Minimum Rent within ten (10) days thereafter, and so long as such disagreement shall continue, either party may submit the question of the fair market rent to a determination by appraisers in accordance with Section 3(c) of this Lease or (ii) rescind Tenant's exercise of the Right of First Refusal, in which event Landlord may lease the Right of First Refusal Premises as if Tenant did not exercise the Right of First Refusal for such premises or (iii) accept such determination either by notice to Landlord or by not electing (i) or (ii) by the expiration of such tenth (10th) Business Day. In addition, Tenant shall pay all cost of all utilities utilized by Tenant in the Right of First Refusal Premises as Additional Rent if the Right of First Refusal Premises are retail premises on the first floor of the Building.

46. Termination Rights.

- (a) Tenant may, at Tenant's option, terminate this Lease at any time prior to the Commencement Date, which termination shall be effective immediately upon the giving of such written notice by Tenant to Landlord. Upon any such termination, Tenant shall reimburse Landlord for all costs incurred by Landlord in connection with, or in contemplation of, this Lease, including Landlord's costs of the

Landlord's Work and all allowances, commissions and legal fees and costs incurred by Landlord.

- (b) Tenant may, at any time during the Initial Term (but not during any Renewal Terms) exercise the Buy-Out Right upon not less than six (6) months written notice to Landlord. In order to effectively exercise the Buy-Out Right, the notice of such exercise must be accompanied by the Buy-Out Payment. The Buy-Out Payment shall be a sum equal to (i) the Tenant Improvement Allowance and Moving Allowance, multiplied by a fraction the numerator of which shall be the number of months remaining in the Initial Term after the Buy-Out Effective Date and the denominator of which shall be one hundred and twenty (120), plus (ii) the construction allowance given by Landlord to Tenant with respect to the Right of First Refusal Premises (if any) pursuant to Section 45(c) above, multiplied by a fraction, the numerator of which shall be the number of months remaining in the Initial Term after the Buy-Out Effective Date and the denominator of which shall be the number of months remaining in the Initial Term after the Right of First Refusal Commencement Date with respect to the Right of First Refusal Premises for which such allowance was given, plus (iii) fifty percent (50%) of the Annual Minimum Rent for the remainder of the Initial Term after the Buy-Out Effective Date discounted back to the Buy-Out Effective Date at the simple rate of five percent (5%), per annum. In the event that Tenant properly exercises the Buy-Out Right, Tenant shall surrender the Premises to Landlord on the Buy-Out Effective Date in accordance with Section 17 hereof and neither Landlord nor Tenant shall have any further rights, duties or obligations hereunder (except those surviving the termination of this Lease). In the event that Tenant fails to deliver the Premises on the Buy-Out Effective Date, Landlord shall have the option, at Landlord's sole option, to retain the Buy-Out Payment as liquidated damages (in which case this Lease shall remain in full force and effect) or consider Tenant in Default hereunder and pursue any and all remedies hereunder, at law or in equity.

47. Storage Space. Landlord shall make the Storage Premises available to Tenant during the Term; provided however, that (a) the Storage Premises located to the south of the line of Column 7 as shown as Exhibit E shall be made available to Tenant after December 1, 1994 and (b) the Storage Premises located to the west of the line of column A as shown on Exhibit E shall be subject in all respects to the rights of the City of Pittsburgh

therein. Tenant shall pay to Landlord the annual sum of Three Dollars (\$3.00) per square foot of Storage Premises, which sum shall be paid in equal monthly installments, in advance, in the same manner as the Annual Minimum Rent, and shall constitute Additional Rent hereunder. In addition, Tenant shall pay on demand all separately metered electricity for the Storage Premises, the cost of separately metered facilities to be borne by Landlord. Landlord may, at any time and from time to time during the Term, upon receipt of Tenant's prior approval (which approval shall not be unreasonably withheld) relocate the Storage Space to other space in the basement of the Building for the unexpired Term. The cost of relocating stored materials shall be borne by Landlord. Tenant shall use the Storage Premises solely for the storage of non-hazardous, non-toxic materials and shall comply in all respects with Sections 10, 11, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29 hereof with respect to the Storage Premises. It is expressly agreed and understood that under no circumstances whatsoever shall Landlord be liable for any loss, damage or destruction to any materials stored or maintained in the Storage Premises and all such materials should be insured by Tenant (except for damages caused by the negligence, gross negligence or willful misconduct of Landlord, or Landlord's employees, contractors or agents). The Storage Premises are leased by Tenant "as is, where is", with no improvements (or representations) being made by Landlord (provided, however, that Landlord shall remove existing stored materials, if any, and broom-clean the Storage Premises). Landlord shall not provide Building services (except electricity) or repairs with respect to the Storage Premises.

48. Moving Allowance. Landlord shall give Tenant the Moving Allowance towards Tenant's costs of moving to the Premises. The Moving Allowance shall be paid by Landlord in the same manner as the Tenant Improvement Allowance. Any unused Moving Allowance may, at Tenant's option, be used to offset Rent.

49. Option to Purchase.

(a) Purchase Option. So long as no Tenant Default has occurred and is continuing, Landlord hereby grants to Tenant an option to purchase the Property owned by Landlord under the terms and conditions set forth in this Section at any time during the Purchase Option Period. In order to effectively exercise the Purchase Option, Tenant shall notify Landlord of Tenant's exercise of the Purchase Option in writing, and shall nominate the first appraiser (in accordance with Section 49(b) below).

(b) Purchase Price. At the Purchase Closing, Tenant shall pay to Landlord the Purchase Price in immediately available funds. The Purchase Price shall equal the fair market

value of the Property on the date of exercise of the Purchase Option by Tenant (without regard to any mortgages on the Property which shall be released by Landlord prior to the Purchase Closing). The fair market value of the Property shall be determined by an appraiser selected in the following manner: Tenant shall nominate an appraiser in Tenant's notice of Tenant's exercise of the Purchase Option. In the event that Landlord objects to such first appraiser, Landlord shall so notify Tenant within twenty (20) days after receipt of Tenant's notice of Tenant's exercise of the Purchase Option and nominate a second appraiser; a failure by Landlord to object to the first appraiser and nominate a second appraiser within such twenty (20) day period shall constitute an acceptance of the first appraiser and the first appraiser shall determine the fair market value of the Property. In the event that Tenant objects to the second appraiser, Tenant shall so notify Landlord within twenty (20) days after receipt of the notice of the second appraiser; a failure by Tenant to object to the second appraiser within such twenty (20) day period shall constitute an acceptance of the second appraiser and the second appraiser shall determine the fair market value of the Property. In the event that the Tenant objects to the second appraiser, both the first appraiser and the second appraiser shall determine the fair market value of the Property, and the Purchase Price shall be based on the average of the two appraisals. The cost of the appraisals shall be borne equally by Tenant and Landlord. Each appraiser shall be disinterested, unaffiliated with either Tenant or Landlord, experienced in real estate in the downtown Pittsburgh office market and MAI licensed.

- (c) Conveyance. At the Purchase Closing, Landlord shall convey good and marketable title to the Property, by deed of special warranty, subject to (i) all matters of record or apparent upon inspection of the Property on the date of this Lease, (ii) all easements, rights-of-way and encumbrances (except mortgages, judgments and liens) entered into after the date of this Lease which do not materially and adversely affect the use of the Property and (iii) all leases. In addition, at the Purchase Closing,

Landlord and Tenant shall enter into an Assignment and Assumption Agreement, whereby Landlord shall assign all right, title and interest of Landlord in and to the leases and assignable contracts applicable to the Property and Tenant shall assume all right, title and interest in and to the leases and assignable contracts applicable to the Property.

- (d) Warranties. Landlord shall convey the Property to Tenant "as is, where is," with no representations or warranties whatsoever (except as set forth in Section 49(c) above), subject to all defects, latent or patent, known or unknown. Without limiting the foregoing, Tenant agrees that, regardless of the physical or environmental condition of the Property, if Tenant exercises the Purchase Option, the purchase of the Property shall be completed for the full amount of the Purchase Price, without offset, penalty, reduction, right of recoupment or deduction whatsoever (except as expressly may be provided with respect to proration of costs and expenses between the parties), and Tenant shall have no claim, or right of action, against Landlord, either prior to or subsequent to the Purchase Closing, under this Lease or otherwise at law or in equity pertaining to, or arising from, the nature or condition of the Property. In the event that Tenant is contemplating exercising the Purchase Option, Tenant shall so notify Landlord (provided that Tenant may not so notify Landlord more often than once in any eighteen (18) month period), and for six (6) months following such notice Landlord shall permit Tenant to inspect the Property and shall provide Tenant with reasonable access to Landlord's books and records relating to the Property. Tenant hereby covenants to Landlord and agrees that (i) there are no representations or warranties of any kind whatsoever, express or implied, made by Landlord in connection with this Lease, the purchase of the Property by Landlord, the physical condition of the Property or whether the Property is appropriate for Tenant's intended use thereof (except as set forth in Section 49(c) above); (ii) Tenant will have had ample opportunity to fully investigate the Property and all matters pertaining thereto; (iii) Tenant shall not rely on any statement or representation of Landlord nor

any agent, attorney, employee or representative of Landlord nor on any information supplied by Landlord, its agents or representatives regarding the subject matter of the sale of the Property by Landlord to Tenant or any part thereof, including representations as to the physical nature and environmental condition of the Property; (iv) Tenant is entering into this Lease, and in exercising the Purchase Option and completing its purchase of the Property, has agreed to rely entirely on its own investigation of the Property; and (v) this Lease gives Tenant ample opportunity to investigate fully all zoning regulations, other governmental requirements, site and physical conditions, and other matters affecting the use and condition of the Property. This Section shall survive the Purchase Closing.

(e) Purchase Closing. The Purchase Closing shall occur one hundred and eighty (180) days after the proper exercise of the Purchase Option by Tenant (provided that if such day is not a Business Day, the Purchase Closing shall occur on the next Business Day), unless otherwise agreed by Landlord and Tenant, at such location in Allegheny County and at such time selected by Tenant.

(f) Prorations.

(i) All ad valorem property taxes and assessments and other taxes and assessments whether general or special shall be prorated on a calendar year basis between Landlord and Tenant at and as of the Purchase Closing which, for the purposes of this Section, shall be deemed to take place at the close of business on the date of the Purchase Closing. All realty transfer and documentary stamp taxes payable with respect to the instruments of conveyance shall be paid by Tenant, to the extent of one-half thereof, and by Landlord, to the extent of one-half thereof. All costs and expenses of recording the conveyances, title insurance premiums, surveying expenses, environmental, engineering and soils studies, and attorneys' fees for counsel to Tenant shall be paid by Tenant as its cost and obligation. All attorneys' fees for counsel to Landlord shall be paid by Landlord as its cost and obligation.

(ii) All rent collected by Landlord prior to the Purchase Closing and which relates to a date after the Purchase Closing shall be prorated as of the date of the Purchase Closing. All utility charges shall be prorated as of the date of the Purchase Closing. In the event Tenant shall, after the date of the Purchase Closing, receive any payments of rents for the month in which the Purchase Closing occurs for which proration was not made at Purchase Closing, Tenant shall remit promptly to Landlord the portion thereof to which Landlord is entitled, rents being applied to the latest months for which rent is due first. Landlord shall be entitled to all prorated rent payments for any period prior to the month in which the Purchase Closing occurs, and shall have the right to sue for the same, but Tenant shall not be obligated to undertake any collection activities for the same. Tenant agrees to deliver promptly to Landlord all rent prorated payments for any period prior to the month in which the Purchase Closing occurs which Tenant receives after the date of the Purchase Closing without reduction for offset for out-of-pocket collection costs incurred by Tenant. This Subsection shall survive the Purchase Closing.

(iii) Except as otherwise specifically provided to the contrary, all income and current operating expenses shall be adjusted and prorated as of Purchase Closing.

(iv) At the Purchase Closing, Landlord shall deliver to Tenant a statement setting forth: (A) all actual costs of Tenant Pass Throughs for the Landlord's Partial Year and (B) all amounts paid by tenants under the leases for Tenant Pass Throughs for the Landlord's Partial Year (the amount by which (A) exceeds (B) (if any) is sometimes referred to herein as the "Landlord's Deficit" and the amount by which (B) exceeds (A) (if any) is sometimes referred to herein as the "Landlord's Excess"). Tenant may rely on such statement in billing the tenants in the following calendar year, and shall bill tenants for any deficit in the Tenant Pass Throughs in accordance with the terms of the leases. At the Purchase Closing, Landlord shall pay the

Landlord's Excess (if any) to Tenant. Upon receipt of the funds from the increased billings to the tenants relating to the Tenant Pass Throughs for the calendar year of the Purchase Closing, Tenant shall pay to Landlord Landlord's proportionate share of such funds (not to exceed to Landlord's Deficit (if any)).

(g) Default. Upon a material and substantial default by Tenant or Landlord under this Section 49 after the exercise of the Purchase Option by Tenant, the non-defaulting party may (i) terminate the purchase and sale contemplated herein, in which event the defaulting party shall reimburse the non-defaulting party for all costs and expenses incurred in connection herewith, and if Tenant is the defaulting party, Tenant shall thereafter have no right to exercise the Purchase Option, this Lease continuing as if the Purchase Option were not included herein, (ii) treat such default as a Default, in which event the non-defaulting party shall have all the rights and remedies set forth in this Lease, and/or (iii) pursue any and all other remedies available at Law or in equity. All said remedies are cumulative and shall not be exclusive.

50. Other Tenants. Landlord shall not enter into any lease for any portion of the Property with a party which is an energy-related competitor of Tenant without the prior consent of Tenant. In the event that Landlord wishes to enter into any such lease, Landlord shall so notify Tenant. Tenant shall notify Landlord of Tenant's objection to such proposed Tenant within fifteen (15) Business Days after receipt of such notice; a failure by Tenant to object within such fifteen (15) Business Days shall constitute a waiver of such objection. In addition, Landlord shall not enter into any lease for any portion of the Property which permits a tenant to use or occupy such tenant's premises for the following purposes without Tenant's prior written consent: massage parlor; facilities providing or permitting nude or semi-nude dancing or pornographic shops; any store of which 25% or more of the display space entails pornographic materials; video arcades; or a pet store.

51. Parking. Landlord shall use reasonable efforts to assist Tenant to arrange for parking of automobiles for Tenant and Tenant's employees. All such parking shall be at Tenant's sole cost and expense and any failure to provide parking shall not constitute a default or breach of this Lease by Landlord.

52. Coal Notice. THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.)

53. Time of the Essence. Time is of the essence of each and every provision of this Lease including the payment of all sums hereunder and the exercise of all options by Tenant.

54. Confidentiality. It is critical to Landlord that the terms of this Lease and other confidential information remain confidential, in light of the potential adverse consequences to the marketability of the Building and space in the Building. Unless otherwise required by Law, as may be necessary to operate the Building, as otherwise necessary to comply with this Lease or as necessary to file a Memorandum of this Lease, neither party hereto shall disclose any confidential information without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld; "confidential information" shall include the contents of this Lease and any information not generally know to the public regarding the Building or the operations thereof, including financial information regarding the Building.

IN WITNESS WHEREOF and intending to be legally bound hereby, Landlord and Tenant have respectively executed this Lease as of the day and year first above written.

WITNESS:

LANDLORD:

PROPERTY VENTURES, LTD.

Eric R. Stoltz

By: [Signature]
Vice President and
General Manager

ATTEST:

TENANT:

DUQUESNE LIGHT COMPANY

Wanda S. Egan

By: [Signature]

Title: SECRETARY

- 53 -
JAE
AKK
mg
4/11/91

CHAMBER OF COMMERCE BUILDING
TOTAL OFFICE AREA CALCULATIONS

FLOOR	G.S.F.	U.S.F.	% OF BLDG	ADD-ON	R.S.F.
2ND	20,774	19,357	6.56518%	554	19,911
3RD	20,790	19,373	6.57024%	554	19,927
4TH	21,126	19,709	6.67842%	563	20,272
5TH	21,126	19,709	6.67642%	563	20,272
6TH	21,126	19,709	6.67642%	563	20,272
7TH	21,126	19,709	6.67642%	563	20,272
8TH	21,151	19,734	6.68432%	564	20,298
9TH	21,151	19,734	6.68432%	564	20,298
10TH	21,151	19,734	6.68432%	564	20,298
11TH	21,151	19,734	6.68432%	564	20,298
12TH	21,151	19,734	6.68432%	564	20,298
14A	21,151	19,734	6.68432%	564	20,298
14TH*	21,151	19,734	6.68432%	564	20,298
15TH	21,151	19,734	6.68432%	564	20,298
16TH	21,151	19,734	6.68432%	564	20,298
SUBTOTAL	316,427	285,172		8,431	303,603
LOBBY	2,276	G.S.F. = Gross Square Feet (Measured from glass line) U.S.F. = Usable Square Feet (G.S.F. - Stairs, Shaft & Elev. 1,417) % OF BLDG = G.S.F. Divided By Subtotal of Floors 2 - 16 ADD-ON = % of Bldg. * Total of Lobby, Loading Dock & Penthouse (8,431) R.S.F. = Rentable Square Feet (U.S.F. + Add-On)			
LOADING DOCK	4,538				
PENTHOUSE PUMP ROOMS	1,617				
GRAND TOTAL	324,858				

*Note: For the 14th Floor, which is a Multi-Tenant Floor, GNC has 5,646 R.S.F. and DLCO has 14,652 R.S.F.

DLCO First Floor Space
Net Rentable Calculation

<u>Usable/Rentable Ratio</u>	
<u>14th Floor (Basis)</u>	
Usable Area (G.S.F. - Stairs, Shaft & Elevator)	19,734
Common Area (mechanical room, restrooms, janitorial room, lobby)	<u>2,554</u>
Net Usable Area	17,180
$\frac{\text{Rentable Area}}{\text{Net Usable Area}} = \frac{20,298}{17,180} = 1.181$	Rentable Add-On Factor
<u>First Floor</u>	
First Level (Usable Area)	1,436 sf
x Rentable Add-On Factor	<u>1.181</u>
Rentable Area	1,696 sf

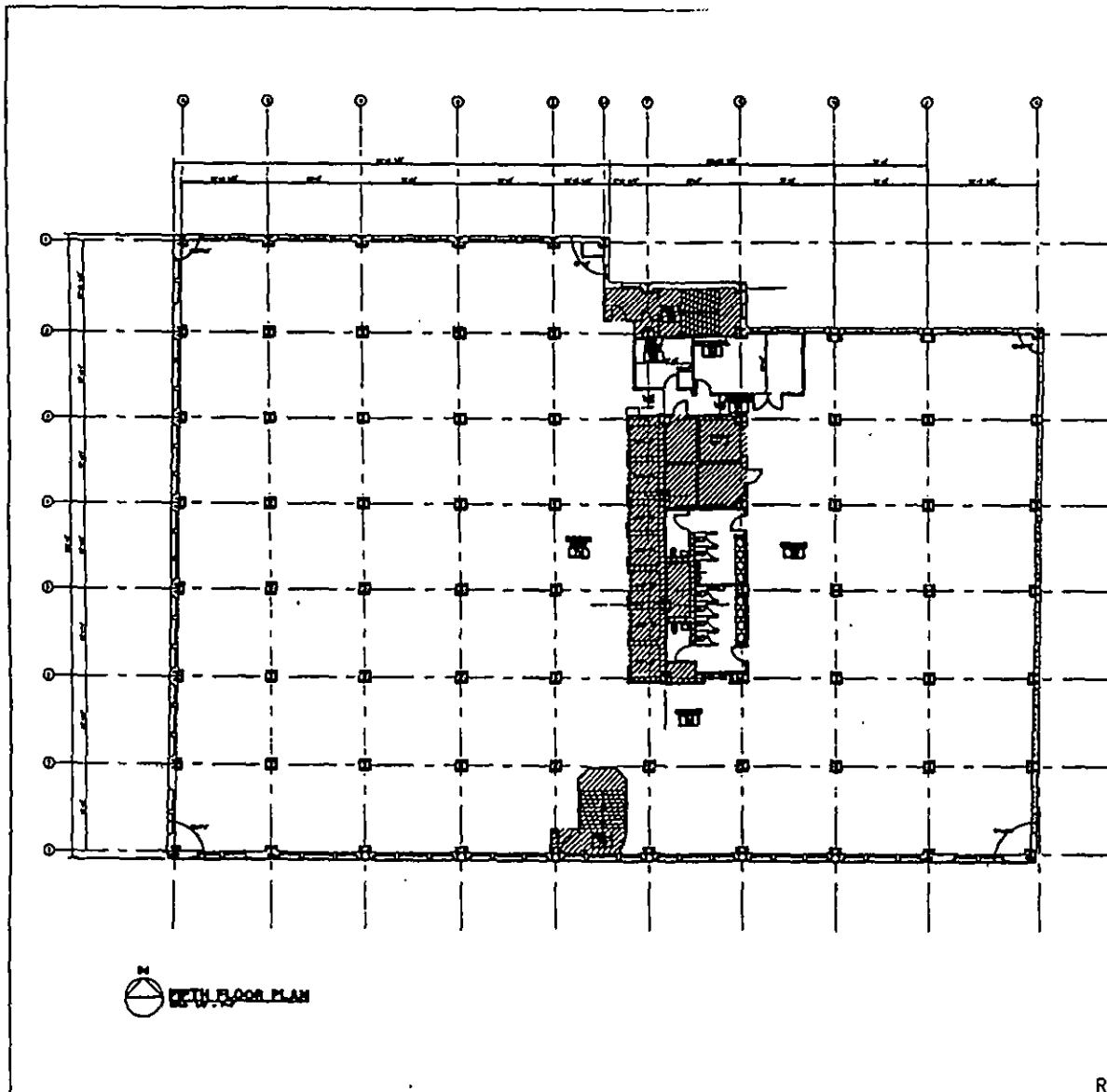
Tenant's Operating Expense Proportionate Share (303,603 sf + 1,696 sf)


305,299

**CHAMBER OF COMMERCE BUILDING
FIRST FLOOR RETAIL SPACE**

DLCO	***included in office total	
Juke Box Cafe		4,146
Juke Box Cafe (mezzanine)		1,823
Magic Castle Daycare		3,100
Lincoln Savings Bank		1,700
Sir Speedy		1,347
Extra Extra		710
Vacant		1,550
	Total Retail	<u>14,376</u> sf

Tenant's Real Estate Tax Proportionate Share		
First Retail Floor Space		14,376
Floors 2 – 16 & DLCO First Floor		305,299
		<u>319,675</u> sf



KEY
VERTICAL PENETRATIONS 

RENTABLE AREA : 20,272 SF

Revisions	Date	By

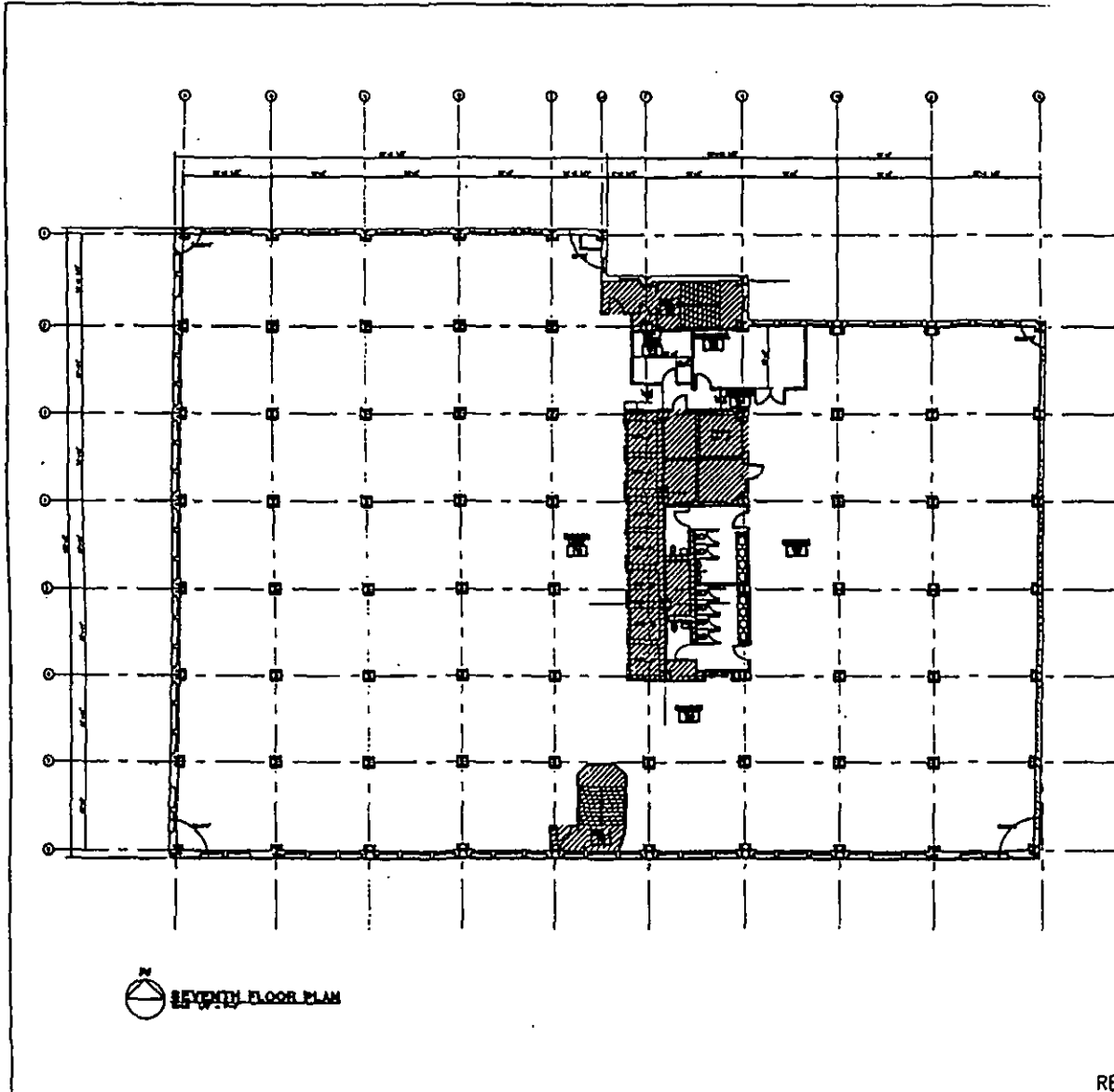
OXFORD DEVELOPMENT CO.



L.A. Miller Architects, Inc.
16270
- 3028

MCARD
Certificate No. 13,443

THE CHAMBER
OF COMMERCE
BUILDING
SEVENTH AVE. &
BETHFIELD ST.
PITTSBURGH
PENNSYLVANIA

FIFTH
FLOOR PLAN



KEY
VERTICAL PENETRATIONS 

RENTABLE AREA 20,272 SF

Revisions	By	Date

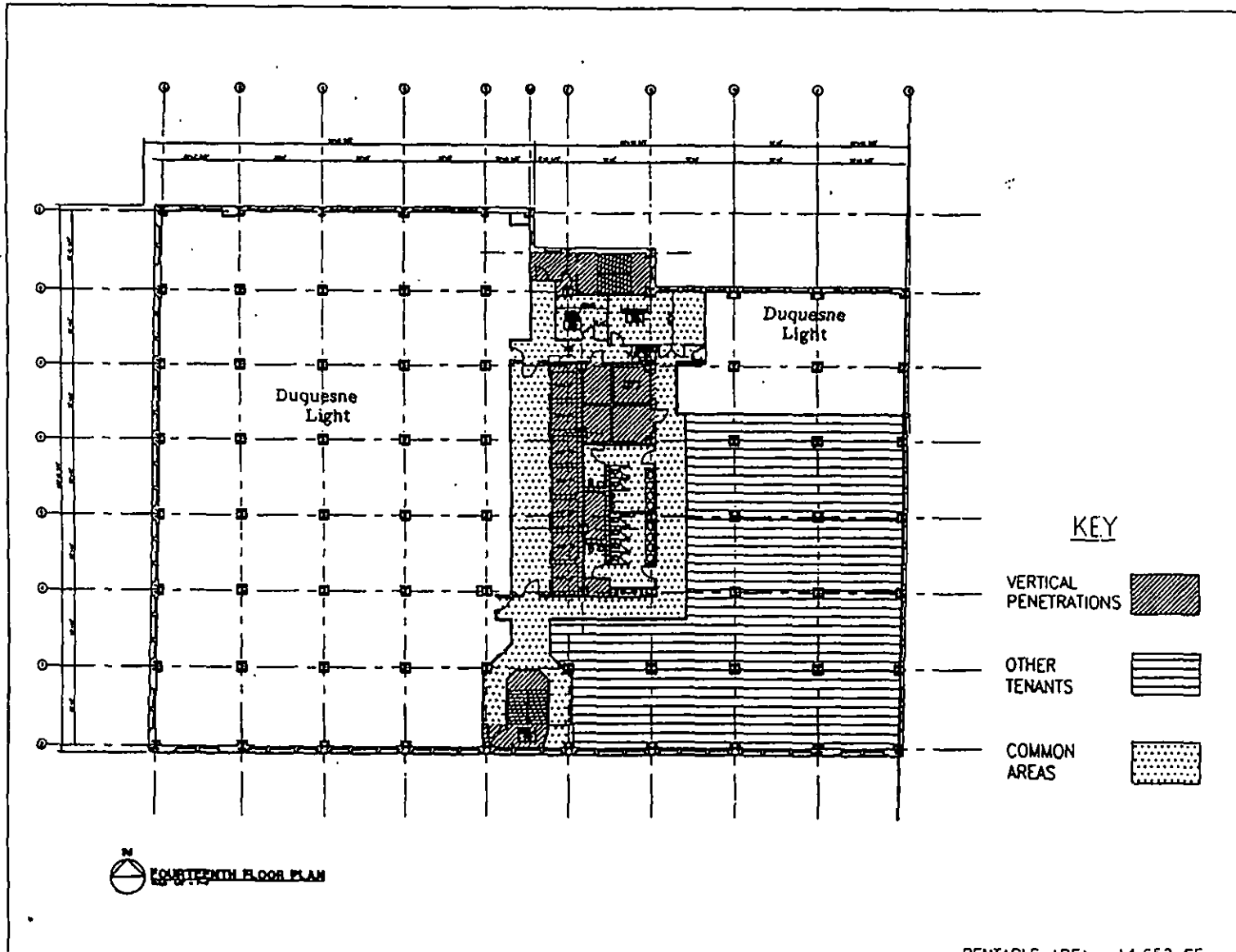
OXFORD DEVELOPMENT CO.



12,541
PCARD
Certificate No. 12,541

THE GRANGER
OF COMMERCE
BUILDING
SEVENTH AVE. &
BETHFIELD ST.
PITTSBURGH
PENNSYLVANIA

SEVENTH
FLOOR PLAN



RENTABLE AREA : 14,652 SF

<p>Revisions</p> <table border="1"> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>													<p>OXFORD DEVELOPMENT CO.</p>
<p>THE CHAMBER OF COMMERCE BUILDING SEVENTH AVE. & BETHFIELD ST. PITTSBURGH, PENNSYLVANIA</p>													
<p>FOURTEENTH FLOOR PLAN</p>	<p>RENTABLE AREA : 14,652 SF</p>												

EXHIBIT B

LANDLORD'S WORK

PREMISES EXCEPT FIRST FLOOR OFFICE PREMISES

New lobby

New sidewalks and curbs

All electric to Tenant floors for the fifth, seventh, eighth, tenth and fourteenth floors and additional full floors leased pursuant to Section 1(b) of this Lease only

New electrical, HVAC and plumbing systems to Building core area (including new restroom fixtures) for all Tenant floors including new risers and HVAC main feeder duct within Tenant space

New fire alarm system in Building core area

ADA and Building code update items on Tenant floors in Building core area

Tenant space demolition and clearance by Landlord

FIRST FLOOR OFFICE PREMISES

Repair leak in ground/wall and related interior wall damage

Remediate known asbestos

Tenant space demolition and clearance by Landlord

EXHIBIT C

RULES AND REGULATIONS

- DEFINITIONS 1. Wherever in these Rules and Regulations the word "Tenant" is used, it shall be taken to apply to and include the Tenant and its agents, employees, invitees, licensees, subtenants and contractors, and is to be deemed of such number and gender as the circumstances require. The words "leased area" or "premises" is to be taken to include the space covered by a Lease. The word "Landlord" shall be taken to include the employees and agents of Landlord.
- OBSTRUCTIONS 2. The streets, sidewalks, entrances, halls, passages, elevators, stairways and other common area provided by Landlord shall not be obstructed by Tenant, or used by Tenant for any other purpose than for ingress and egress. Other uses of common areas (including United Way, Scouting for Food and other charitable solicitations) shall be subject in each instance to Landlord's prior written approval.
- WASHROOMS 3. Toilet rooms, water-closets and other water apparatus shall not be used for any purposes other than those for which they were constructed.
- INSURANCE REGULATIONS 4. Tenant shall not do anything in the premises or Building, or bring or keep anything therein, which will in any way increase or tend to increase the risk of fire or the rate to fire insurance, or which will conflict with the regulations of the Fire Department or the fire laws, or with the rules and regulations of the City of Pittsburgh, or any other governmental authority having jurisdiction over the Building, or with any insurance policy on the Building or any part thereof, or with any law, ordinance, rule or regulation affecting the occupancy and use of the Building, now existing or hereafter enacted and promulgated by the City of Pittsburgh or any other governmental authority having jurisdiction over the Building.
- GENERAL PROHIBITIONS 5. In order to insure proper use and care of the premises, Tenant shall not, without Landlord's prior written consent:

- (a) Keep animals or birds in the premises.
- (b) Use premises as sleeping apartments.
- (c) Allow any sign, advertisement or notice to be fixed to the Building.
- (d) Make improper noises or disturbances of any kind or sing, play or operate any musical instrument, radio or televisions (excluding radios and televisions used for normal business purposes) or otherwise do anything to disturb other tenants or tend to injure the reputation of the Building.
- (e) Mark or defile elevators, water-closets, toilet rooms, walls, windows, doors or any other part of the Building.
- (f) Place anything on the outside of the Building, including roof setbacks, window ledges and other projections, or drop anything from the windows, stairways or parapets; or place trash or other debris in the halls, stairways, elevators or light wells of the Building.
- (g) Cover or obstruct any window, skylight, door or transom that admits light.
- (h) Fasten any article, drill holes, drive nails or screws into the walls, floors, woodwork, window mullions, or partitions; nor shall the same be painted, papered or otherwise covered or in any way marked or broken.
- (i) Interfere with the heating or cooling apparatus.
- (j) Allow anyone but Landlord's employees or contractors to clean premises.
- (k) Leave premises without locking doors to premises, stopping all non-essential office machines, and extinguishing all lights.
- (l) Install any shades, blinds, or awnings.
- (m) Use any electric heating device.

- (n) Manufacture any commodity, or prepare or dispense any foods or beverages, whether by vending or dispensing machines or otherwise, or alcoholic beverages, tobacco, drugs, flowers, or other commodities or articles on or from the premises.
- (o) Change the locks of any doors to or in the premises.
- (p) Give employees or other persons permission to go upon the roof of the Building.
- (q) Place door mats in public corridors.

PUBLICITY

- 6. Tenant shall not use the name of the Building in any way in connection with Tenant's business except as the address thereof. Landlord shall also have the right to prohibit any advertising by Tenant, which, in the opinion of Landlord, tends to impair the reputation of the Building or its desirability as a building for offices; and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

BUSINESS MACHINES

- 7. Business machines and mechanical equipment which cause vibration, noise, cold or heat that may be transmitted to Building's structure or to any leased space outside premises shall be placed and maintained by Tenant, at its sole cost and expense, in settings of cork, rubber, or spring type vibration eliminators sufficient to absorb and prevent such vibration, noise, cold or heat.

MOVING OF EQUIPMENT

- 8. Landlord reserves the right to designate the time and the method whereby freight, small office equipment, furniture, safes and other like articles may be brought into, moved or removed from the Building or rooms, and to designate the location for temporary disposition of such items. In no event shall any of the foregoing items be taken from Tenant's space for the purpose of removing same from the Building without the express consent of both Landlord and Tenant.

ENTRANCE

- 9. Landlord reserves the right to exclude the general public from the Building upon such days and at such hours as in Landlord's

judgment will be for the best interest of the Building and its tenants. Persons entering the Building after 6:00 P.M. on business days and at all times on Saturdays, Sundays and holidays must sign the register maintained for that purpose.

RIGHTS
RESERVED TO
LANDLORD

10. Without abatement or diminution in rent, Landlord reserves and shall have the following rights:
 - (a) To change the name or street address of Building and the arrangement and/or location of entrances, passageways, doors, doorways, corridors, elevators, stairs, toilet or other public parts of the Building;
 - (b) To install and maintain a sign or signs on the exterior of the Building;
 - (c) To have access for Landlord and other tenants of Building to any mail chutes if any located on the premises according to the rules of the United States Post Office;
 - (d) To determine Building standard signage and to determine and supply Building lavatory and janitorial supplies used on the premises;
 - (e) At any time or times Landlord either voluntarily or pursuant to governmental requirement, may, at Landlord's own expense, make repairs, alterations or improvements in or to the Building or any part thereof and during alterations, may close entrances, doors, windows, corridors, elevators or other facilities, provided that such acts shall not unreasonably interfere with Tenant's use and occupancy of the Premises as a whole;
 - (f) To erect, use and maintain pipes and conduits in and through the Premises;
 - (g) During the last six (6) months of the term or any part thereof, if during or prior to that time the Tenant vacates the premises, to decorate, remodel, repair, alter or otherwise prepare the premises for reoccupancy;

- (h) To constantly have pass keys to the premises;
- (i) To grant to anyone the exclusive right to conduct any particular business or undertaking in the Building;
- (j) To take any and all measures, including inspections, repairs, alterations, additions and improvements to the premises or to the Property, as may be necessary or desirable for the safety, protection or preservation of the Premises or the Property or Landlord's interests, or as may be necessary or appropriate in the operation of the Property.

Landlord may enter into the premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Tenant's use or possession and without being liable in any manner to the Tenant.

REGULATION
CHANGES

- 11. Landlord shall have the right to make such other and further reasonable rules and regulations as in the judgment of Landlord, may from time to time be necessary or desirable for the safety, appearance, care, and cleanliness of the Building and for the preservation of good order herein. Landlord shall not be responsible to Tenant for any violation of rules and regulations by other Tenants.

Exhibit D

FORM OF ESTOPPEL CERTIFICATE

_____ (the "Undersigned"), intending to be legally bound, hereby certifies as follows:

1. The Undersigned does hereby ratify and confirm the Lease Agreement (the "Lease") dated as of _____, between Undersigned, _____ and _____. The Lease was duly authorized by Undersigned and constitutes the valid and binding obligation of Undersigned, enforceable in accordance with its provisions.

2. The term of the Lease commenced on _____, and the initial term is scheduled to expire on _____, subject to two (2) five (5) year renewal option terms.

3. [The Undersigned] is in occupancy of the Premises, and the Lease is in full force and effect and has not been modified, assigned, supplemented or amended, except as follows:

4. All conditions and agreements under the Lease to be satisfied and performed to date have been satisfied and performed, except as follows: _____

5. [Property Ventures, Ltd. is] [Duquesne Light Company is] not in default under the Lease and there are no defenses or offsets against the enforcement of the Lease by [it] [them], except as follows: _____

6. Rental payments under the Lease have been paid in full through _____ and with the exception of the current month's rent, Undersigned has not prepaid any sums payable by it under the Lease, except as follows: _____

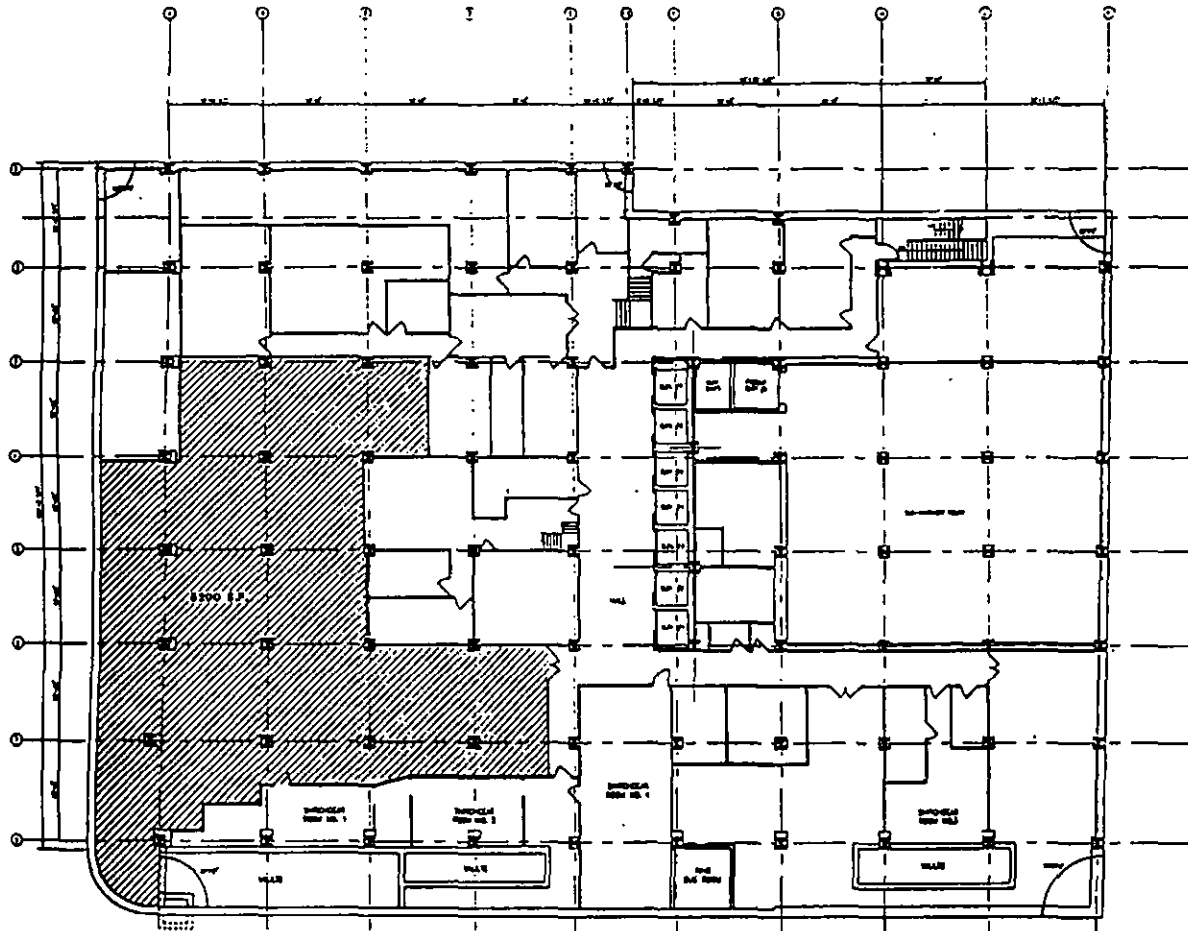
Undersigned understands that it acknowledges that this Certificate is being delivered for the benefit of, and may be relied upon by, _____

IN WITNESS WHEREOF, Undersigned has executed this Certificate as of the _____ day of _____, _____.


WITNESS:

By: _____
Title: _____

Exhibit E




BASEMENT PLAN


 5,200 S.F. RENTABLE STORAGE AREA

Revisions	By	Date

OXFORD DEVELOPMENT CO.



1111 11th Ave. Pittsburgh, Pa. 15222

Phone: 481-3000

NCARB Certificate No. 12,643

THE CHAMBER OF COMMERCE BUILDING
 SEVENTH AVE. & GREYSFIELD ST.
 PITTSBURGH, PENNSYLVANIA

BASEMENT PLAN

EXHIBIT F

DESCRIPTION OF TENANT'S WORK FOR FIRST FLOOR OFFICE PREMISES

Add a new HVAC system
Modify plumbing
Drop ceiling
Add electric

EXHIBIT "G"

to Lease Dated March 1, 1994 by and between

PROPERTY VENTURES LTD.
and
DUQUESNE LIGHT COMPANY

JANTTORIAL SERVICES

A. SCHEDULE OF SERVICES

1. Cleaning services to be performed five (5) nights per week, except on designated holidays, or as specifically indicated hereinafter.

B. SCOPE OF WORK

1. Building Entrances and Public Areas

- a. Sweep and damp mop pavers and steps nightly, weather permitting.
- b. All glass at entrances (revolving doors and side panic doors) are to be cleaned daily.
- c. Wipe down all metal surfaces (excluding high work) at entrances nightly.
- d. All wall surfaces (excluding high work) are to be dusted nightly using approved method to remove fingerprints and smudges nightly.
- e. All trash receptacles are to be cleaned nightly.
- f. Rain mats will be provided and appropriately placed when needed and when not in use, stored in designated areas.

2. Elevators

- a. Clean all saddles, hatch and cab doors, door frames and directional lights at main entry lobbies nightly.
- b. Interior wall surfaces of cab selector panels, bases, rails and floor indicator panel are to be cleaned nightly.
- c. Interior carpets are to be vacuumed nightly and spot cleaned as required.
- d. Elevator cabs with resilient floor surfaces are to be washed nightly and waxed as required.

3. Public Corridors and Elevator Lobbies

- a. All wall surfaces are to be dusted weekly using an approved chemically treated cloth. Remove all fingerprints and smudges nightly.
- b. Carpeted areas are to be vacuumed five (5) times per week.
- c. High dust or wash all electrical and air conditioning fixtures yearly.
- d. Drinking fountains are to be cleaned and sanitized nightly.
- e. Public telephones are to be cleaned nightly.

4. General Office Areas

Nightly, unless otherwise indicated

- a. Damp mop all stone, ceramic tile, terrazzo and other types of unwaxed flooring weekly.
- b. Sweep all vinyl, asphalt, rubber and similar types of flooring as required using an approved method and buff monthly.
- c. Vacuum all rugs and carpeted areas once each week and corridors twice a week. Spot vacuum as required.
- d. Hand dust or wipe clean all furniture, file cabinets, fixtures, window sills, and wash said sills when necessary.
- e. Dust all telephones.
- f. Dust all chair rails, trim, etc.
- g. Remove all gum and foreign matter on sight.
- h. Empty and clean all waste receptacles and remove wastepaper and waste materials to a designated area.
- i. Clean carpet spots of 6" in diameter or less.
- j. Wash clean all water fountains and water coolers.
- k. Dust all glass furniture tops.
- l. Remove hand marks on elevator hatchway doors.
- m. Wipe clean all bright work.

- n. Any area designated as a vending area will be damp mopped daily.
- o. Cleaning operations are to be scheduled so that an absolute minimum of lights are to be left on at all times. Upon completion of the cleaning, all lights must be turned off.

Periodic

- a. Hand dust all door louvers and other ventilating louvers within reach once per week.
- b. Dust all baseboards once per week (if required).
- c. Remove finger marks from all painted surfaces near light switches, entrance doors, etc., once per week.
- d. Move and vacuum clean once per month underneath all furniture that can be moved.
- e. Dust all picture frames, charts and similar hangings quarterly which were not reached in nightly cleaning.
- f. Dust all vertical surfaces such as walls, partitions, doors and other surfaces not reached in nightly cleaning quarterly.
- g. Dust yearly all air conditioning louvers, grills and lights not reached in nightly cleaning.
- h. Wash telephones monthly.
- i. Dust clothes closets, shelving and coat racks weekly where possible.

5. Lavatories

Nightly

- a. Wash and disinfect all floors and base.
- b. Wash all mirrors and powder shelves.
- c. Wash and polish all bright work.
- d. Wash all plumbing fixtures.
- e. Wash and disinfect all toilet seats, both sides.
- f. Scour, wash and disinfect all basins, bowls and urinals.
- g. Fill toilet tissue holders, soap, sanitary napkin and paper towel dispensers.

- h. Empty and clean sanitary disposal receptacles, and provide wax paper bag in receptacle.
- i. Clean and wash waste receptacles and dispensers. Remove all waste products to a designated area and provide plastic bag in receptacles.
- j. Remove finger marks from painted surfaces.
- k. Remove all graffiti from walls and partitions.
- l. Dust and clean partitions and walls.
- m. Inspect all toilets and rest rooms during day and keep same in neat and clean condition.
- n. Wash tile wall surface subject to splashing.

Periodic

- a. Clean and wash all partitions once a week.
- b. Machine scrub floors as necessary but not less than once every two (2) weeks.
- c. Hand dust, clean and wash all tile walls once each month, more often if necessary.
- d. High dust to be done once each month which includes lights, walls and grills.
- e. Wash toilet lighting fixtures as often as necessary but not less than twice per year.

6. Building Service Areas

- a. Service elevator areas, if any, are to be kept neat, clean and orderly at all times.
- b. Resilient floor surfaces in service corridors are to be washed nightly and waxed as required.
- c. All wall surfaces in service corridors are to be dusted weekly. Fingerprints, graffiti and smudges are to be removed weekly.
- d. High dust or wash all electrical and air conditioning ceiling fixtures once per year.
- e. Loading areas to be swept daily and floor areas hosed down as required. Wall surfaces are to be cleaned weekly. Overhead equipment dusted monthly.

7. Window Cleaning

- a. All exterior windows shall be cleaned inside and outside three (3) times per year, weather permitting. Window frames and associated metal to be wiped and cleaned upon completion of all window washing.
- b. All interior partition glass (including glass doors) on Tenant floors to be cleaned quarterly.
- c. Glass on directory boards to be cleaned daily.

8. Plaza and Sidewalk Areas

- a. Sweep daily, weather permitting.
- b. Remove snow and ice as soon as possible from all traffic areas and using approved snow melting chemicals where practical.
- c. Gum and other foreign materials to be removed as required.
- d. Trash receptacles shall be cleaned daily.
- e. Remove debris from landscaped areas as required.

9. Roof Surfaces

- a. All roofs and setbacks are to be cleaned every other month, weather permitting.

10. Duties of Day Personnel

The following is a general list of functions only, weather permitting.

- a. Check all public areas constantly, picking up all foreign matter on sight.
- b. Sweep lobby as required, five (5) days a week, using an approved chemically treated cloth.
- c. Elevator cab floors are to be cleaned at least two (2) times each day and more frequently when needed.
- d. Wipe clean and remove finger marks from all metal bright work throughout interior of building lobby daily.
- e. Sweep sidewalks.
- f. Lay down and remove lobby runners as necessary.

- g. Sweep the public staircases.
- h. Wash and wax stairways yearly.
- i. Keep in clean condition all public telephones and their enclosures, as required.
- j. Clean building entrance door twice each day.

Mens' and Womens' Lavatories (Day Porter function)

The following is a general list of duties:

- a. Fill toilet tissue and towel dispensers as required.
- b. Service sanitary napkin dispensers as necessary.
- c. Fill soap dispensers as necessary.
- d. Wipe clean all countertops.

11. Extra Service

Landlord shall supply the following additional services at tenant's expense:

- a. Cleaning of private bathrooms.
- b. Shampooing of carpeting.
- c. Monthly dry cleaning of funnel areas and elevator lobbies.



CHESTER
ENVIRONMENTAL

Jim

November 23, 1993

Mr. Alex Parou
Duquesne Light Company
Corporate Purchasing Department
2101 Beaver Avenue
Pittsburgh, Pennsylvania 15233

Dear Alex:

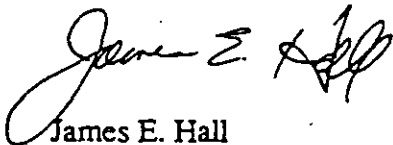
Re: Purchase Order No. D127552
Phase III Residual Waste Compliance
Activities for Power Generation Stations

Chester is pleased to acknowledge receipt and acceptance of the above-referenced Purchase Order, dated November 23, 1993.

Our acceptance of this order is based on a project start (work release) date of no later than January 1, 1994, in order for us to meet the requirements of Section 6.0 Schedule and accept the conditions stated in Section 33.0 PADER Compliance of the Terms and Conditions.

We thank you for your confidence in Chester and look forward to the successful completion of this project.

Very truly yours,



James E. Hall
Vice President

JEH:ss s-0457
cc: D. Faust
A. Lisanti
D. Mills

RECEIVED
NOV 29 1993
ACCOUNTING



DUQUESNE LIGHT COMPANY
CORPORATE PURCHASING DEPT, M-P
2101 BEAVER AVENUE
PITTSBURGH, PA 15233
TELEPHONE: (412) 393-8611
FAX: (412) 393-8619

INVOICE INSTRUCTIONS

Send freight bill and INVOICE IN TRIPLICATE to:
 Accounts Payable Dept. 29-4
 Duquesne Light Company
 P.O. Box 1920
 Pittsburgh, PA 15230-1920

Please show our order number, item number, stock number, destination and release number (if applicable) on all invoices, packages and papers pertaining to this order. Invoices are to show the identical unit as appears on this written order. When invoicing for transportation charges, always substantiate your charges by enclosing prepaid carrier's invoice.

DO NOT BILL PENNSYLVANIA SALES TAX. Direct Pay Permit #00131 issued to Duquesne Light Company constitutes authority for Payment of Sales and Use Taxes directly to the Department of Revenue.

NOTE: Deliveries accepted 8:00 a.m. to 4:00 p.m. Monday through Friday (except holidays).

ORDER NUMBER: **D127552**

DATE: **11-19-93**

SHIP TO: **ROBERT J DRUGA**
DUQUESNE LIGHT COMPANY

HONE OXFORD CENTRE

MAIL DROP 16-4

301 GRANT ST.

PITTSBURGH, PA 15279

BUYER:

ALEXANDER G PAROU

VENDOR: **CHESTER ENVIRONMENTAL**
P.O. BOX 15851
PITTSBURGH, PA 15851

THIS IS YOUR PURCHASE ORDER

ATTACHMENTS:

SEE ATTACHMENTS

REQUISITIONER: **FREDERICK J BICKERTO**
 REQUISITION NUMBER: **X7AY999340**

Item	QUANTITY		DESCRIPTION	STOCK NUMBER	UNIT PRICE
	Number	Unit			
001			<p>TO PREPARE REPORTS, CLOSURE PLANS, PERMIT APPLICATIONS, "CONCEPTUAL DESIGN PACKAGES", "DETAILED DESIGN PACKAGES", "DETAILED DESIGN PACKAGES" AND "CHAPTER 299 COMPLIANCE PACKAGES" REQUIRED TO ACHIEVE THE FOLLOWING ULTIMATE GOALS, IN COMPLIANCE WITH THE PA RESIDUAL WASTE MANAGEMENT REGULATIONS:</p> <ol style="list-style-type: none"> EVALUATE PHASE II PRELIMINARY ENGINEERING RESULTS VERSUS SINGLE WASTE WATER TREATMENT FACILITIES FOR CHESWICK AND ELRAMA. AT A MINIMUM, REPLACE THE ELRAMA BOTTOM ASH AND POLISHING PONDS WITH AN ABOVE GROUND WASTE WATER TREATMENT FACILITY. IF RETAINED, COMPLY WITH STORAGE REGULATIONS FOR THE CHESWICK, ELRAMA, AND PHILLIPS COAL PILE RUNOFF PONDS AND CHESWICK MISCELLANEOUS WASTE, BOTTOM ASH RECYCLE, AND BOTTOM ASH EMERGENCY PONDS. 		

TYPE OF QUOTATION: Written Verbal

Quotation Number: **PIC2-312**

Point of Shipment:
 Terms: **N-30**
 Mode of Freight:

Cash Discount
 Sales Tax Status: **E**

Quotation Date: **08-26-93**
 Shipment to be made in: **AS REQUESTED**
 F. O. B. **DEST/EA**

Est. Shipping Weight
 Order Code: **BL**

CONDITIONS

Unless otherwise agreed upon in writing the Vendor agrees to assume the defense of any suit for infringement of patents brought against this company by reason of these goods and to indemnify this company against any liability, including costs and expenses resulting from such suit. The additional and supplementary terms included on the back of this order shall apply.

THE ATTACHED ACKNOWLEDGMENT MUST BE SIGNED AND RETURNED WITHIN SEVEN DAYS FROM THE DATE OF ORDER

DUQUESNE LIGHT COMPANY



DUQUESNE LIGHT COMPANY
CORPORATE PURCHASING DEPT, M-P
2101 BEAVER AVENUE
PITTSBURGH, PA 15233
TELEPHONE: (412) 393-8611
FAX: (412) 393-8619

INVOICE INSTRUCTIONS

Send freight bill and INVOICE IN TRIPLICATE to:
 Accounts Payable Dept. 29-4
 Duquesne Light Company
 P.O. Box 1920
 Pittsburgh, PA 15230-1920

Please show our order number, item number, stock number, destination and release number (if applicable) on all invoices, packages and papers pertaining to this order. Invoices are to show the identical unit as appears on this written order. When invoicing for transportation charges, always substantiate your charges by enclosing prepaid carrier's invoice.

DO NOT BILL PENNSYLVANIA SALES TAX. Direct Pay Permit #00131 issued to Duquesne Light Company constitutes authority for Payment of Sales and Use Taxes directly to the Department of Revenue.

NOTE: Deliveries accepted 8:00 a.m. to 4:00 p.m. Monday through Friday (except holidays).

ORDER NUMBER: **D127552**

DATE: **11-19-93**
 SHIP TO: **ROBERT J DRUGA**
DUQUESNE LIGHT COMPANY
HONE OXFORD CENTRE
MAIL DROP 16-4
301 GRANT ST.
PITTSBURGH, PA 15279
 BUYER:
ALEXANDER G PAROU

VENDOR: CHESTER ENVIRONMENTAL
P. O. BOX 15851
PITTSBURGH, PA 15851

THIS IS YOUR PURCHASE ORDER

ATTACHMENTS:

SEE ATTACHMENTS

REQUISITIONER: **FREDERICK J BICKERTO**
 REQUISITION NUMBER: **X7AY999340**

Item	QUANTITY		DESCRIPTION	STOCK NUMBER	UNIT PRICE
	Number	Unit			
			<p>4. CLOSE THE CHESWICK EMERGENCY ASH POND AND ELRAMA AND PHILLIPS EMERGENCY PONDS.</p> <p>5. CONTINUED OPERATION OF THE ELRAMA AND PHILLIPS FLUE GAS DESULFURIZATION SLUDGE STABILIZATION FACILITIES.</p> <p>ALL ACTIVITIES ARE TO BE PERFORMED IN ACCORDANCE WITH THE ATTACHED SPECIFICATION DATED AUGUST 4, 1993.</p> <p>THE ATTACHED DUQUESNE LIGHT COMPANY TERMS AND CONDITIONS, TITLED "PHASE III RESIDUAL WASTE COMPLIANCE ACTIVITIES (POWER GENERATION STATIONS)," SHALL FORM AND BECOME PART OF THE AGREEMENT.</p> <p><u>LIST OF ATTACHMENTS</u></p> <p>1. DUQUESNE LIGHT COMPANY TERMS AND CONDITIONS.</p> <p>2. SPECIFICATION.</p>		

TYPE OF QUOTATION: Written Verbal
 Quotation Number: **PIC2-312**
 Point of Shipment:
 Terms: **N-30**
 Mode of Freight
 Cash Discount
 Sales Tax Status: **E**

Quotation Date: **08-26-93**
 Shipment to be made in: **AS REQUESTED**
 F. O. B. **DEST/EA**
 Est. Shipping Weight
 Order Code **BL**

CONDITIONS

Unless otherwise agreed upon in writing the Vendor agrees to assume the defense of any suit for infringement of patents brought against this company by reason of these goods and to indemnify this company against any liability, including costs and expenses resulting from such suit. The additional and supplementary terms included on the back of this order shall apply.

THE ABOVE CHECKED ACKNOWLEDGMENT MUST BE SIGNED AND RETURNED WITHIN SEVEN DAYS OF ORDER TO THE ADDRESS ABOVE

Duquesne Light Co.



DUQUESNE LIGHT COMPANY
CORPORATE PURCHASING DEPT, M-P
2101 BEAVER AVENUE
PITTSBURGH, PA 15233
TELEPHONE: (412) 393-8611
FAX: (412) 393-8619

INVOICE INSTRUCTIONS

Send freight bill and INVOICE IN TRIPLICATE to:
 Accounts Payable Dept. 25-4
 Duquesne Light Company
 P.O. Box 1920
 Pittsburgh, PA 15230-1920

Please show our order number, item number, stock number, destination and release number (if applicable) on all invoices, packages and papers pertaining to this order. Invoices are to show the identical unit as appears on this written order. When invoicing for transportation charges, always substantiate your charges by enclosing prepaid carrier's invoice.

DO NOT BILL PENNSYLVANIA SALES TAX Direct Pay Permit #00131 issued to Duquesne Light Company constitutes authority for Payment of Sales and Use Taxes directly to the Department of Revenue.

NOTE: Deliveries accepted 8:00 a.m. to 4:00 p.m. Monday through Friday (except holidays).

ORDER NUMBER: **D127552**

DATE: **11-19-93**
 SHIP TO: **ROBERT J DRUGA**
DUQUESNE LIGHT COMPANY
HONE OXFORD CENTRE
MAIL DROP 16-4
301 GRANT ST.
PITTSBURGH, PA 15279
 BUYER:
ALEXANDER G PAROU

VENDOR: **CHESTER ENVIRONMENTAL**
P. O. BOX 15851
PITTSBURGH, PA 15851

THIS IS YOUR PURCHASE ORDER

ATTACHMENTS: **SEE ATTACHMENTS** REQUISITIONER: **FREDERICK J BICKERTO**
 REQUISITION NUMBER: **X7AY999340**

Item	QUANTITY		DESCRIPTION	STOCK NUMBER	UNIT PRICE
	Number	Unit			
			3. WORK SCOPE 07 CONTRACTOR IS NOT AUTHORIZED TO PROCEED WITH THE WORK UNTIL NOTICE TO PROCEED IS PROVIDED TO CONTRACTOR BY OWNER. NO COSTS ARE TO BE INCURRED UNTIL SUCH AUTHORIZATION IS GIVEN. ORDER IS ON A TIME AND MATERIAL BASIS WITH A TARGET COST OF \$460,000, WHICH INCLUDES A FIXED FEE (PROFIT) OF \$50,000. A NOT TO EXCEED MAXIMUM COST OF \$485,000 HAS BEEN AGREED TO. NO ADDITIONAL PROFIT WILL BE PAID ON ENGINEERING COSTS BETWEEN THE TARGET COST OF \$460,000 AND THE NOT TO EXCEED COST OF \$485,000.		

TYPE OF QUOTATION: Written Verbal
 Quotation Date: **08-26-93**
 Quotation Number: **PIC2-312**
 Shipment to be made in: **AS REQUESTED**
 Point of Shipment:
 F. O. B. **DEST/EA**
 Terms: **N-30**
 Cash Discount
 Made of Freight
 Sales Tax Status: **E**
 Est. Shipping Weight
 Order Code: **BL**

CONDITIONS
 unless otherwise agreed upon in writing the Vendor agrees to assume the defense of any suit for infringement of patents brought against this company by reason of these goods and to indemnify this company against any liability, including costs and expenses resulting from such suit. The additional and supplementary terms included on the back of this order shall apply.

THE ATTACHED ACKNOWLEDGMENT MUST BE SIGNED AND RETURNED WITHIN SEVEN DAYS FROM THE DATE OF ORDER. THE SIGNATURE MUST BE LESS ABOVE.



TERMS AND CONDITIONS

AE SERVICES CONTRACT

PHASE III RESIDUAL WASTE COMPLIANCE ACTIVITIES (POWER GENERATION STATIONS)

Purchase Order # DL27552

INTRODUCTION

The following terms and conditions are incorporated into and made part of this Agreement between Duquesne Light Company and Chester Environmental bidder for Phase III Residual Waste Compliance Activities for the residual waste disposal facilities located at Duquesne Light Company's Cheswick, Elrama and Phillips Power Generation Stations.

1.0 DEFINITIONS

When capitalized, the following words shall have the meanings specified below:

- Agreement:** Means this agreement between Owner and Contractor, including Owner's Purchase Orders, specifications, terms and conditions and any other document made a part of this Agreement by Owner.
- Contractor:** Means Chester Environmental.
- Owner:** Means Duquesne Light Company, its agents, affiliates or authorized representatives.
- Project:** Means the Phase III Residual Waste Compliance Activities consisting of conceptual design packages, closure plans, final preliminary permit applications, interim compliance packages, GW monitoring and reports.
- Site:** Means DLCO residual waste disposal facilities located at the Cheswick, Elrama and Phillips Power Generation Stations.
- Services:** Means all engineering services, evaluations, calculations, designs, consulting, reporting, drawings, plans, attending meetings with DLCO and Pennsylvania Department of Environmental Regulations (PADER) and all other activities relevant to this project.
- Subcontractors:** Means a person or other business entity of any tier including, but not limited to, subcontractors, licensors, subsidiaries, affiliates, suppliers or vendors contracting directly or indirectly with Contractor to perform any part of the Work.

Work: Means all Services, Work Product, materials and/or equipment, if any, to be provided pursuant to this Agreement.

Work Product: Means any check lists, certificates, final preliminary permit applications, designs, procedures, plans, engineering drawings, specifications, data, calculations, studies, reports, test reports, analysis, recommendations, evaluations and all other documentation created or developed by Contractor under this Agreement.

2.0 WORK BY OWNER OR BY SEPARATE CONTRACTOR

Owner may perform Work related to the Project with Owner's own forces and award separate contracts to others in connection with portions of the Project or other work on the Site. Owner may coordinate the work of Owner's own forces and of each separate contractor with the Work of Contractor.

Owner will be the interpreter of the requirements of this Agreement and the judge of the performance thereunder by Contractor. Owner will render interpretations necessary for the proper execution or progress of the Work. Contractor shall perform in accordance with the decisions and interpretations rendered by Owner.

3.0 SCOPE

The scope of Work shall include all activities, obligations, duties, requirements and responsibilities of Contractor plus all Work inferable as necessary for the successful completion of the Project as these activities are described in this Agreement.

4.0 CONTRACT DOCUMENTS

In the event of conflict between the various provisions of this Agreement, the conflict shall be resolved by giving controlling effect in the following order: (i) Owner's Terms and Conditions, (ii) Owner's Purchase Order and (iii) Owner's specifications.

5.0 INDEPENDENT CONTRACTOR

Contractor shall operate as an independent contractor in the performance of this Agreement. Contractor is not an agent or employee of Owner. Contractor shall have complete charge of its employees and Subcontractors engaged in the performance of the Work.

6.0 SCHEDULE

Contractor agrees to maintain and deliver the Work and Work Product described in the specification provided by Owner and in accordance with the milestone tasks as agreed upon in the contract evaluation phase.

The agreed upon schedule shall define specific milestones which will allow for sufficient time for DLCO to meet the PADER requirement of July 1, 1994.

From and after the effective date of this Agreement, Owner shall have the right, at its sole option, to plan, schedule, sequence and coordinate all Work for the benefit of the Project. Contractor agrees to coordinate its Work to meet the requirements of the Owner's schedule or Plan, and to cooperate with the Owner's personnel on a continuous basis by maintaining and providing information to Owner to be used to update the schedule or Plan.

If Owner expands or decreases the scope of Work, the parties shall negotiate a change, if necessary, in the time of performance. Contractor acknowledges that in this Agreement time is of the essence.

7.0 FORCE MAJEURE

Neither party shall be responsible for necessary delays or failures in performance resulting from events beyond the reasonable control of the affected party, including without limitation acts of God, strikes, walkouts, riots, acts of war, epidemics, government regulations, fire, earthquakes or other similar disasters. If the performance of Work to be provided pursuant to this Agreement shall be delayed, hindered or suspended, the affected party shall promptly notify the other party. If necessary, the parties shall jointly determine reasonable alterations to the schedule, scope of Work or other items relating to such Work to be performed pursuant to this Agreement.

8.0 TITLE

Owner shall have title to all Work and Work Products including, but not limited to, studies, reports, plans, evaluations, design and engineering drawings, data, calculations and permits which are produced or obtained by Contractor for, on behalf of, or at the direction of Owner. Such documents shall be delivered to Owner during the performance of and upon completion of services under this Agreement.

9.0 WORK PRODUCT

The Contractor shall develop and submit for review and approval, all Work Product and other documentation requested by Owner to verify that the Work conforms to this Agreement. The Contractor shall not proceed with any part of the Work until Owner's approval has been obtained. All Work Product shall be provided in a timely manner to cause no delay in either the Work or other's work.

All Work Product and quality documents which are produced by the Contractor for, on behalf of, or at the direction of Owner, shall be furnished to Owner and shall include the Purchase Order number.

10.0 INSPECTIONS AND TESTS

Owner may inspect the Work and Work Product provided under this Agreement including Work and Work Product performed at Contractor's facilities; however, such inspection by the Owner shall not relieve the Contractor of its duties under this Agreement. If this Agreement, laws, ordinances, rules, regulations or orders of any public authority require any portion of the Work to be inspected, tested or approved, Contractor shall give Owner timely notice of its readiness so the Owner may observe such inspection, testing or approval. Contractor shall provide to Owner all test reports or other documentation needed to demonstrate that the Work has met all inspection and test requirements. Contractor shall provide reasonable access to its facilities and periodic status reports during the course of performance of the Work.

11.0 ACCEPTANCE

Acceptance of all or part of the Work and Work Product furnished and delivered by Contractor to Owner is conditioned upon Owner's final determination that the Work and Work Product conforms to the requirements of this Agreement.

12.0 WARRANTY

Contractor warrants that the recommendations, guidance and performance of its personnel shall reflect competent professional knowledge and judgment.

Contractor shall perform its Work in compliance with this Agreement and with the due care, skill and diligence in accordance with generally accepted professional standards as recognized in the power industry and the particular field of expertise of Contractor's personnel; and shall be responsible for the professional quality, technical accuracy, completeness and coordination of all Work and Work Product.

During the progress of the Work and until one year from final acceptance, Contractor agrees that upon written or oral notice from Owner of substandard Work, Contractor shall reperform the Work at no cost to Owner. If Contractor should fail to reperform the Work, or if Owner determines that Contractor will be unable to correct substandard Work before the time specified in this Agreement or in the schedule of the Work, Contractor shall, at Owner's option (i) reimburse Owner for payments made to Contractor for substandard or unsatisfactory Work, or (ii) Owner may correct such substandard or unsatisfactory Work itself or by the use of third parties and charge Contractor for the additional costs incurred to complete the requirements of this Agreement.

If Owner elects to accept the nonconforming Work as provided or furnished, Owner shall be entitled to credit or reimbursement in the amount of the cost of correcting same or, in the alternative, the amount by which the value of the Work is diminished from the value of conforming Work.

13.0 COMPLETENESS AND ACCURACY OF PLANS AND SPECIFICATIONS

Contractor shall be responsible for the completeness and accuracy of its plans, specifications and supporting data prepared or compiled under its obligations of this project. Contractor shall correct, at its expense, all errors and omissions therein which may be disclosed during the review process of the plans and specifications prior to the construction phase and that which may be disclosed during the construction phase of the project.

14.0 INDEMNIFICATION

Contractor shall defend, indemnify and hold harmless Owner from and against all losses, damages, liabilities, claims and actions, and all related expenses (including reasonable attorneys' fees and expenses and the actual costs of litigation) by reason of injury or death to any person or damage to any property or any other accident arising or resulting from performance or Work or defects in the Work or from any other cause to the extent not attributable to the negligence or willful misconduct of Owner.

15.0 INTELLECTUAL PROPERTY INDEMNITY

Contractor shall defend, indemnify and hold harmless Owner from and against and shall pay all losses, damages, liabilities, claims and actions, and all related expenses (including reasonable attorneys' fees and expenses and the actual costs of litigation) based on an allegation that any Work Product or Work or parts thereof infringe or misappropriate the rights of others, or if their use by Owner is enjoined; and Contractor shall, at Owner's option and Contractor's expense, either: (i) procure for Owner the right to continue using the Work Product or Work or parts thereof; (ii) replace the same with substantially equivalent Work Product or Work or parts thereof that do not infringe or misappropriate the rights of others; (iii) modify the same so they no longer infringe or misappropriate the rights of others or (iv) refund the price and the transportation and installation costs to Owner.

Contractor shall obtain from all Subcontractors similar indemnity protection for Owner.

16.0 INSURANCE

A. Contractor represents that it now carries, and agrees it shall continue during the term of this Agreement to carry, as a minimum, worker's compensation, comprehensive general and contractual liability and comprehensive automobile liability insurance with carriers reasonably satisfactory to Owner in the following amounts:

	<u>Limits</u>
(1) Workers' Compensation	Statutory
Employer's Liability	\$500,000
(2) Comprehensive General Liability or Commercial General Liability (Public Liability) including:	
a. Bodily Injury, Personal Injury and Property Damage	\$1,000,000 per Occurrence or Claim
or	
Bodily Injury Personal Injury and Property Damage	\$1,000,000 Combined Single Limit

- | | |
|---|----------|
| b. Blanket Contractual | Included |
| c. Products and Completed Operations Hazard | Included |
| d. Broad Form Property Damage | Included |

If any of the Work performed under this Agreement includes:

1. blasting, 2. excavating, pile driving or caisson work, 3. moving, shoring, under-pinning, razing or demolition of any structure or removal or rebuilding of any structural support thereof, or any subsurface or underground work, the Comprehensive General Liability Insurance policy shall include coverage for the explosion, collapse and underground hazards.

- (3) Automobile Liability Insurance (owned, hired and non-owned):

	<u>Limits</u>
Bodily Injury and Property Damage	\$1,000,000 Per Occurrence Combined Single Limit
(4) Professional Liability	\$2,000,000
(5) Environmental Impairment Liability	\$2,000,000 Per Occurrence

- B. Contractor and its Subcontractors may carry and maintain at their own cost and expense All Risk Coverage Insurance on the machinery, tools, equipment and clothing belonging to them or their employees.
- C. Contractor shall furnish to Owner a certificate of insurance for the foregoing coverages, which shall include the following:
1. Name of insurance company, policy number and expiration date;
 2. The coverages required by Owner including the amount of deductibles or self-insurance (which shall be paid by Contractor);
 3. A statement that Owner shall receive thirty (30) days prior notice of cancellation or modification of any of the policies, which may affect Owner's interest;
 4. A statement that Owner has been named an additional insured (except for Workers' Compensation) on all policies; and,
 5. If a vehicle is carrying Owner's hazardous waste, the certificate must show that the vehicle is insured for limits specified in the Motor Carrier Act of 1980, as amended.
- D. Contractor and any of its Subcontractors shall waive any right of subrogation which they or their insurers may have against Owner, its agents or its employees.
- E. Contractor shall not permit any Subcontractors to enter upon Owner's Site(s) or proceed with the performance of their contracts unless such Subcontractors have complied with Owner's insurance requirements.
- F. Contractor hereby agrees to reduce equitably this Agreement price should Owner, at its sole option, choose to provide a Wrap-up/Owner Controlled Insurance Program to protect the Work.

G. The above insurance requirements are in addition to those which may be cited elsewhere in this Agreement. Contractor shall comply with any and all other insurance requirements whether or not expressly identified herein as required by law. Owner does not represent that it has identified all applicable insurance requirements.

17.0 JOB COST ACCOUNTS AND INFORMATION AUDITS

Contractor and its Subcontractors shall maintain detailed separate cost data for each Purchase Order in accordance with generally accepted accounting principles. Contractor's records pertaining to the cost of the Work (other than fixed Prices agreed to prior to performance of the Work) and Contractor's tax records shall be open at all reasonable times for inspection or audit by Owner or its representative(s). Owner or its representative(s) shall at reasonable times have access to Contractor's and its Subcontractor's premises, materials, instructions, working papers, plans, drawings, specifications, memoranda and other information pertaining to the Work. All Contractor's purchase orders or contracts with Subcontractors shall provide that Owner or its representative(s) shall have the right to audit Subcontractors' charges to Contractor. Owner's rights under this Article shall terminate five (5) years after expiration of the warranty period.

18.0 TAXES

Owner shall provide to Contractor upon Contractor's request a tax exemption certificate for all taxes which become due under Pennsylvania sales and use tax laws, except for taxes that Contractor is required to pay under such laws. Upon Owner's request, Contractor shall provide evidence satisfactory to Owner of the payment of any taxes which Contractor is required to pay. Contractor shall assume and pay all other taxes. Contractor shall provide to Owner such additional information as Owner may request to facilitate the determination of taxes for which Owner is responsible.

19.0 PAYROLL TAXES

Contractor shall treat all personnel provided by Contractor pursuant to this Agreement as Contractor's employees for state, local and federal income, wage and withholding tax purposes, pay all applicable federal, state and local wage taxes imposed with respect to such personnel, and withhold all applicable federal, state and local taxes from the wages of such personnel and disburse the same to the applicable taxing authorities. Contractor agrees to be responsible for and to defend, indemnify and save Owner harmless from and against the payment of any taxes or penalties arising from a failure to properly report, pay, withhold and/or remit any employment taxes with respect to its personnel's wages.

20.0 PAYMENT

Owner shall pay undisputed invoices within thirty (30) days of Acceptance. If any portion of the Work does not conform to the requirements of the Purchase Agreement upon inspection by Owner, a corresponding portion of the Price may be withheld by Owner until the nonconformance is corrected.

21.0 PROPRIETARY/CONFIDENTIAL INFORMATION

All information of Owner disclosed to Contractor or its Subcontractors which is not in the public domain shall be treated as trade secret and proprietary and confidential information. Contractor shall exercise the same care to prevent the disclosure of such information as Contractor exercises to prevent disclosure of its own trade secrets and proprietary and confidential information. Such information shall be utilized by Contractor or its Subcontractors only in connection with performance of the Work and shall not be disclosed to any other party, unless such disclosure is required by law or court order.

22.0 PERSONNEL

Contractor shall not change or reassign any of its key personnel assigned to the Project during the term of this Agreement. In the event that any key personnel leaves Contractor's employ or becomes otherwise unable to perform its duties for causes beyond Contractor's control, Contractor shall provide replacement personnel of equal capabilities and bear any additional travel and living expenses as well as costs of screening, qualification and formal training associated with providing such replacement personnel. Assignment and reassignment of key personnel shall be subject to the prior written approval of Owner.

23.0 PUBLICITY

- A. Contractor shall issue no publicity (including news releases and advertising) relating to Owner, this Agreement or the Work and erect no signs or other advertising on Owner's Sites without Owner's prior written approval. Contractor shall refer to Owner for coordinating any inquiry from the news media concerning this Agreement or the Work prior to response, and shall reflect Owner's comments in such response.
- B. Contractor shall not publish or release any technical paper, article, publication or announcement in connection with the Work, during or after the term of this Agreement, without Owner's prior written approval.

24.0 SUSPENSION OR INTERRUPTION OF WORK

Owner may order Contractor in writing to suspend or interrupt all or any part of the Work for such period of time as Owner may determine to be appropriate for the convenience of Owner. Contractor shall mitigate the costs of such suspension or interruption. Owner agrees to reimburse Contractor for those expenses reasonably and necessarily incurred directly as a result of such suspension or interruption subject to Owner's right to audit Contractor's books and records.

25.0 TERMINATION

Owner may terminate this Agreement or discontinue any parts of the Work if Contractor abandons the Work, becomes bankrupt or insolvent, is unable to obtain a bond, assigns or subcontracts this Agreement or any of its parts without Owner's prior consent, fails to comply with this Agreement or, if any part of the Work violates this Agreement or is not being performed

with due diligence; provided however, that prior to such termination Owner notified Contractor in writing of its intent to terminate this Agreement and the reasons therefore, and Contractor must have failed to cure such reasons within ten (10) days from receipt of such notice. If Owner terminates for cause, as stated above, Owner may complete the Work or any of its parts, or contract with a third party to complete such Work, and Contractor shall be liable to Owner for the excess costs to complete the Work. Owner may also require Contractor to transfer title and deliver to Owner any contract rights or Work Product produced or acquired by Contractor for the performance of this Agreement.

Owner may also terminate all or any part of this Agreement without cause and pay Contractor a proportionate amount of the sums due to Contractor up to the point of cancellation.

26.0 PERMITS AND LICENSES

Contractor shall obtain any Contractor's licenses necessary for performance of the Work. Owner shall obtain or cause to be obtained all other permits and licenses required for the Work.

27.0 LIENS

Contractor shall not file and shall take all actions necessary to prevent any Subcontractors from filing any liens against Owner or its property, including Owner's Sites. In addition, Contractor shall defend, indemnify and save harmless Owner and any of its property, including Owner's Sites from all demands, liabilities and liens which may arise in favor of Contractor or any Subcontractors, and from all damages, costs and expenses (including reasonable attorneys' fees and expenses and the actual costs of litigation) resulting from such demands, liabilities or liens. If requested by Owner, Contractor shall execute Owner's "Stipulation Against Liens" (furnished as part of this Agreement) and shall file it in the appropriate governmental offices.

28.0 CHANGES

Owner shall have the right to issue written change notices to make changes in, deletions from or additions to deliveries, drawings, specifications or instructions for the Work covered by this Agreement and Contractor agrees to comply with such change notices. If such changes cause a material increase or decrease in Contractor's cost or in the time of performance of this Agreement, an equitable adjustment in the price and time of performance shall be made, and this Agreement shall be modified in writing accordingly, provided that any claim for adjustment is asserted by Contractor within ten (10) days after receipt of any such change notice. In the event a dispute arises as to the equitable adjustment, Contractor shall, at the direction of Owner, proceed with the change pending resolution of the dispute.

29.0 DISPUTES

In the event of failure by the parties to reach agreement concerning any matter under this Agreement, the parties shall use good faith efforts to negotiate an amicable resolution of their differences. If a solution is not agreed upon, the parties shall promptly and diligently pursue

alternative dispute resolution (ADR) techniques in a further effort to achieve an early and equitable settlement of any business dispute without resorting to litigation. If either party believes such efforts are not leading to a satisfactory resolution of the dispute, such party may, upon giving the other party at least ten (10) days prior written notice, initiate litigation to obtain a decision by a Pennsylvania court of competent jurisdiction.

During the pendency of any dispute, Contractor shall proceed with the Work and maintain progress in accordance with Owner's direction, and Owner shall continue to make payments to Contractor of all sums due and payable under the terms of this Agreement which are not disputed.

30.0 CONSEQUENTIAL DAMAGES

In no event shall Owner be liable, whether in contract, tort, warranty, strict liability or any other legal theory, for any special, indirect, incidental or consequential damages, such as, but not limited to, loss of anticipated profits or revenue, or loss of use of equipment or facilities or environmental impairment or degradation.

31.0 VERIFICATION OF EXISTING WORK AT SITE BEFORE AND DURING PERFORMANCE OF THE WORK

Contractor shall make a thorough field check for the purpose of verifying existing conditions at the Sites that may affect the Work including, but not limited to, existing underground structures and utility lines, possible errors in plans or in work previously performed by others, difficulties that might be encountered in the execution of the Work for any reason, and the type and models of existing equipment installed by others. When the proper execution of any part of the Contractor's Work depends upon other work, whether installed or furnished by Contractor or others, Contractor shall verify all necessary dimensions, measurements, existing equipment (including, but not limited to, other underground structures or utilities) and shall be entirely responsible for all parts of the Contractor's Work. Allowance shall not be made to the Contractor for any additional Services, extra materials, parts or other expenses due to difficulties caused by Contractor's failure to comply with this verification.

32.0 DISCOVERY OF ERRORS, OMISSIONS OR DISCREPANCIES

If Contractor discovers any errors, omissions, discrepancies or conflicts in the technical documents and/or Owner's specification, it shall immediately so inform Owner in writing. Owner shall correct and/or clarify such matters and so inform Contractor. Owner's decision shall be binding, and the Work shall proceed only when such information has been supplied. Such notification to Owner does not relieve Contractor of its obligations, responsibilities and liabilities under this Agreement. The risk and expense of proceeding without such information from Owner shall rest with Contractor.

33.0 PADER COMPLIANCE

In the event that the schedule outlined in Section 6.0 is not met by Contractor, and the Plan is not completed by July 1, 1994, then Contractor shall be responsible for fines of \$25,000 per violation

per day which may be incurred by Owner due to causes attributable to Contractor. In addition, if any part or all of the PADER approved Plan fails to comply with the PADER requirements, for reasons attributable to Contractor, Contractor shall be responsible for any fines of \$25,000 per violation per day which may be incurred by Owner until PADER conformance is achieved.

34.0 ASSIGNMENT AND SUBCONTRACTING

The Contractor shall not assign, transfer or subcontract, this Agreement, without first obtaining the written previous consent of Owner. Owner's consent to any assignment, subcontract or transfer shall not relieve Contractor of any of its obligations under this Agreement, and the Contractor shall remain liable for performance of this Agreement.

All subcontracts, regardless of amount, shall be with persons, firms or corporations named in Contractor's proposal or as approved by Owner. Contractor, notwithstanding any approval by Owner, shall remain as fully responsible for the acts and omissions of all its Subcontractors.

35.0 PROTECTION OF THE ENVIRONMENT

- A. Contractor and its Subcontractors shall comply with all federal, state, and local laws, ordinances, codes and regulations relating to personnel safety and the protection of the environment including, but not limited to, handling, protection and disposal of all hazardous material, toxic substances, hazardous substances, and residual wastes (defined below).
- B. Contractor and its subcontractors shall not encroach upon environmentally sensitive areas including, but not limited to, wetland, wet areas, riverine areas, streams or stream crossings unless conducted in a manner prescribed by law and approved by the applicable regulatory agency.
- C. If Contractor's Work includes the use, "generation", production or supply or disposal of "hazardous substances", "hazardous chemicals", "hazardous waste", or other substances subject to regulation under the latest revisions of the Emergency Planning and Community Right-to-Know Act of 1986, the Occupational Safety and Health Act of 1970 or the Pennsylvania and New Jersey Worker and Community Right-to-Know Acts, (collectively referred to as "Hazardous Substances"). Contractor shall: (1) provide Owner with a list of each Hazardous Substance, its quantity, container type and size which will be brought to Owner's property; (2) retain at the Site a copy of the Material Safety Data Sheet (MSDS) for each Hazardous Substance and, upon demand by Owner, make available all required MSDS; and (3) accurately label all containers naming the Hazardous Substances, their Chemical Abstract Service (CAS) number, and stating Contractor's name, address, and telephone number.

Contractor and its subcontractors shall also ensure that all Hazardous Substances are maintained and disposed of in conformance with all laws, including, but not limited to, spill prevention control and countermeasure plans set forth in (40CFR112), discharge, prevention, containment and countermeasure plans, hazardous waste management, and air quality requirements.

Should Contractor or its subcontractors perform or permit to be performed any Work in violation of any law, or cause any spill disposal, discharge or release of any Substance, (hazardous, residual or otherwise), it shall be liable for and shall indemnify, defend, and save harmless Owner against all costs and damages incurred, including personal injury or death to any persons, damage to property and the environment, and all costs and litigation expenses including, but not limited to, attorneys' fees and expenses, investigation costs, penalties or fines incurred by either Contractor and/or Owner as a result of such spill, discharge, disposal or release.

- D. In the event of a spill, disposal, discharge or release of any Substance (hazardous, residual or otherwise), Contractor shall initiate control/cleanup measures and immediately notify Owner in the event of a spill, discharge, or disposal or release. Owner, at its option, may determine if the spill, discharge, disposal or release is reportable and make the necessary notifications. Owner, at its option, may also determine whether further control/cleanup, with or without outside contractors is necessary.
- E. Prior to initiating the Work, Contractor shall determine the classification of any anticipated by-product or residue materials or waste generated according to applicable laws and advise Owner of the outcome of such determination and shall identify the characteristics and quantities of all wastes normally anticipated to be generated during performance of the Work.

If during or incidental to the performance of the Work, Contractor generates PCB or PCB-contaminated waste covered under the US. Toxic Substance Control Act, Contractor shall comply with all regulatory requirements applicable to such waste handling and disposal, as well as all additional requirements in this Agreement. The name, location and hazardous/solid waste permit number (if applicable) for the ultimate disposal facility, and the hauler's name, address, and hazardous/solid waste vehicle hauling license number (if applicable) shall be submitted to Owner for approval four weeks prior to any waste shipment to the disposal site. Materials originating from Owner's Site(s) or equipment may not be removed from Owner's Site(s) or transported to any other facility as a "usable" product for use or reuse without Owner's prior written authorization.

If Contractor is required to comply with any manifest requirements, it shall submit a copy of such requirement to Owner for approval prior to transportation/disposal. All PCB or PCB-contaminated materials, and/or equipment shall be removed and disposed from Owner's Site(s) within thirty (30) days after the start of accumulation date designated for disposal. Contractor shall provide Owner with a written statement identifying the date, time, location and method of transportation/disposal of such material and/or equipment not later than fifteen (15) days after the materials and/or equipment have been delivered to a disposal facility or to Owner's designated central consolidation location.

- F. If during or incidental to the performance of the Work, Contractor generates hazardous or solid waste covered under the Pennsylvania Solid Waste Management Acts or the US. Resource Conservation and Recovery Act, Contractor shall comply with all regulatory requirements applicable to such waste handling and disposal, as well as all additional requirements in this Agreement. The name, location, and hazardous/solid waste permit

number (if applicable) for the ultimate disposal facility, and the hauler's name, address and hazardous/solid waste vehicle hauling license number (if applicable) shall be submitted to Owner for approval four weeks prior to any waste shipment to the disposal site. Contractor shall also make necessary arrangements to recycle all solid waste covered under any Pennsylvania recycling laws, subject to Owner's prior written approval, and report quantities recycled to Owner. Materials or equipment originating from Owner's Site(s) may not be removed from Owner's Sites or transported to any other facility as a "usable" product for use or reuse without Owner's prior written authorization.

If the Contractor is required to comply with any manifest requirements, it shall submit a copy of such requirement to Owner for approval prior to transportation/disposal. All hazardous wastes shall be removed from Owner's Site(s) within ninety (90) days after the start of accumulation date designated for disposal.

Contractor shall provide Owner with a written statement identifying the date, time, disposal facility location, and method of disposal for such hazardous or solid wastes not later than fifteen (15) days after they have been delivered to a licensed disposal facility.

36.0 MBE/WBE

It is the policy of Owner to stimulate the growth of Certified Minority and Women Business Enterprises (MBEs and WBEs) by encouraging their full participation in all phases of Owner's procurement activities and by affording them a full and fair opportunity to compete for Owner's procurements. Contractor agrees to carry out this policy through its own forces (if Contractor is a MBE or a WBE) or through the award of subcontracts to MBEs and WBEs to the fullest extent consistent with the efficient performance of the Purchase Agreement and to include this policy as a provision in all subcontracts.

In order to be responsive to this policy, Contractor shall be a MBE or a WBE or shall use its best efforts to use MBEs for not less than 10% and WBEs for not less than 5% of the Price and to provide satisfactory proof of Certification in support of these goals. Contractor shall document these efforts through the use of the attached Minority and Women Business Enterprises Subcontracting Report. At a minimum, Contractor shall use the MBEs and WBEs identified in Section II of the Report.

37.0 LAWS, CODES, RULES, REGULATIONS

Contractor and its Subcontractors at their own expense shall obtain all necessary licenses and permits and shall otherwise comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules and regulations relating to performance of the Work, including but not limited to safety, environment, labor standards, and workers' compensation.

Contractor and its Subcontractors shall also comply with the following clauses incorporated by reference into the Purchase Agreement: Equal Opportunity Clause, 41 CFR 60-1.4; Affirmative Action for Disabled Veterans and Veterans of Vietnam Era, 41 CFR 60-250.4; and Affirmative Action for Handicapped Workers, 41 CFR 60-741.4.

Contractor and its Subcontractors shall also comply with Owner's policies, rules and procedures.

38.0 BONDS

The Owner shall have the right to require the Contractor to furnish Performance Bonds covering the faithful performance of this Agreement and/or Labor and Material Payment Bonds covering the payment of all obligations arising under and as required by this Agreement.

39.0 SEVERABILITY

Should any provision of this Agreement be found by a Pennsylvania court of competent jurisdiction to be illegal or otherwise unenforceable, that finding shall not invalidate the whole of this Agreement and the remaining provisions shall remain in full force and effect.

40.0 SURVIVAL

The obligations and rights, as the case may be, of the parties pursuant to the provisions of Warranty, Proprietary Rights, Infringement Indemnity and Indemnification shall survive the expiration or early termination of this Agreement.

41.0 NOTICES

Any notice required or permitted to be given under this Agreement shall be in writing and sent to the following parties:

If to Owner:

Duquesne Light Company:
Purchasing Department, M-P
2101 Beaver Avenue
Pittsburgh, PA 15233
ATTN: A. G. Parou

If to Contractor:

Chester Environmental
P.O. Box 15851
Pittsburgh, PA 15851
ATTN: James Hall

42.0 GOVERNING LAW/JURISDICTION

The Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania. Any litigation shall be filed and pursued in either State or Federal Court in Pittsburgh, Pennsylvania.

43.0 ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Owner and the Contractor with respect to the subject matter hereof and supersedes any and all prior oral or written agreements.

DUQUESNE LIGHT COMPANY

Work Scope and Specification

for

Phase III Residual Waste Compliance Activities

for Duquesne Light Company Power Generation Facilities

August 4, 1993

Scope of Work

To prepare reports, Closure Plans, Permit Applications, "Conceptual Design Packages", "Detailed Design Packages" and "Chapter 299 Compliance Packages" required to achieve the following ultimate goals, in compliance with the PA Residual Waste Management Regulations:

1. Evaluate Phase II preliminary engineering results versus single wastewater treatment facilities for Cheswick and Elrama.
2. At a minimum, replace the Elrama Bottom Ash and Polishing Ponds with an above ground wastewater treatment facility.
3. If retained, comply with storage regulations for the Cheswick, Elrama, and Phillips Coal Pile Runoff Ponds and Cheswick Miscellaneous Waste, Bottom Ash Recycle, and Bottom Ash Emergency Ponds.
4. Close the Cheswick Emergency Ash Pond and Elrama and Phillips Emergency Ponds.
5. Continued operation of the Elrama and Phillips Flue Gas Desulfurization Sludge Stabilization Facilities.

Specification

1. To evaluate the Elrama Phase II preliminary engineering results versus a single wastewater treatment facility to replace the storage impoundment(s).
2. To evaluate the Cheswick Phase II preliminary engineering results versus a single wastewater treatment facility to replace the storage impoundment(s).
3. To prepare the Closure Plan, Conceptual Design Package, and Permit Applications, required to achieve the ultimate goal of replacing, at a minimum, the Elrama Bottom Ash and Polishing Ponds with an above ground wastewater treatment facility.
4. To prepare any Conceptual Design Packages and Permit Applications required to achieve the ultimate goal of complying with storage regulations for the Cheswick, Elrama, and Phillips Coal Pile Runoff Ponds and the Cheswick Miscellaneous Waste, Bottom Ash Recycle, and Emergency Ponds.
5. To prepare the Closure Plan, Detailed Design, and Groundwater Monitoring Plan, as applicable, required to close the Elrama and Phillips Emergency Ponds and the Cheswick Emergency Ash Ponds.
6. To prepare a "Chapter 299 Compliance Package" for continued residual waste operation of the Cheswick, Elrama, Phillips, and Brunot Island Power Stations.
7. To participate in substantive negotiations with PADER regarding administrative documents and innovative solutions.
8. To participate in public notice activities, as required to support all compliance activities.
9. Prepare "Conceptual Design Packages" as defined in Attachment II.

ATTACHMENT 1

Power Generation Facilities Phase III Compliance Activities

Elrama Units	Ultimate Goals	Deliverable
Bottom Ash, Polishing, & CPR Pond	Evaluate Phase II preliminary engineering results vs single facility WWTF	Report
Bottom Ash & Polishing Ponds and other Wastewater Treatment Facilities (WWTF)	At a minimum, Replace with above ground WWTF	1. Closure Plan 2. Conceptual Design 3. Permit Application
Coal Pile Runoff (CPR) Pond (if retained)	Comply with storage regulations -- possible replace/relocate/upgrade	1. Conceptual Design 2. GW Monitoring 3. Permit Application
Emergency Pond	Close	1. Closure Plan 2. Detailed Design
Flue Gas Desulfurization Sludge Stabilization Facility	Comply with Chapter 299 requirements	Report

Phillips Units	Ultimate Goal	Deliverables
Coal Pile Runoff (CPR) Pond	Comply with storage regulations -- possible replace/relocate/upgrade	1. Conceptual Design 2. GW Monitoring 3. Permit Application
Emergency Pond	Close	1. Closure Plan 2. Detailed Design
Flue Gas Desulfurization Sludge Stabilization Facility	Comply with Chapter 299 requirements	Report

**ATTACHMENT I
(CONTINUED)**

**Other Deliverables
for all Generation Facilities**

1. Permit by Rule Compliance Package
 - Wastewater Treatment Units
 - Captive Processing Units
 - Mechanical Processing Units
 - Beneficial Use
2. Compliance Package for Chapter 299 Units (Site Walkdown)
3. Interim Compliance Package for all relevant Units
4. Public Notice Activities (including meetings)

**ATTACHMENT I
(CONTINUED)**

Brunot Island Units	Ultimate Goal	Deliverables
None	NA	Nothing

Cheswick Units	Ultimate Goal	Deliverables
Emergency Ash, Bottom Ash Recycle/Emergency, CPR, & Miscellaneous Waste Ponds	Evaluate Phase II preliminary engineering results vs single facility WWTF	Report
Emergency Ash Pond	Close	1. Closure Plan 2. Conceptual Design 3. GW Monitoring
BA Recycle & Emergency Ponds (if retained)	Comply with storage regulations -- possible replace/relocate/upgrade	1. Conceptual Design 2. GW Monitoring 3. Permit Application
Miscellaneous Waste Ponds (if retained)	Comply with storage regulations -- possible replace/relocate/upgrade	1. Conceptual Design 2. GW Monitoring 3. Permit Application
Coal Pile Runoff (CPR) Pond (if retained)	Comply with storage regulations -- possible replace/relocate/upgrade	1. Conceptual Design 2. GW Monitoring 3. Permit Application
BA Screening Facility	Permit-by-rule compliance	Report

ATTACHMENT II

Conceptual Design Package

It is DLC's intent to use the "Conceptual Design Package" (CDP) to develop a detailed design and construction package for the chosen alternative. Therefore, the CDP should include at a minimum the following items and any other specific information that is necessary for DLC to fulfill its objective.

- The alternatives considered, including the cost evaluation used to determine the best one and a description as to why it was chosen. The alternatives should identify material requirements; manpower estimates to construct and supervise; testing costs; environmental, as well as other regulatory constraints; estimated annual operating/maintenance costs for a twenty year period; estimated installation costs; and estimated cost to develop the final design package.
- The design assumptions for the chosen alternative are to be identified. This should include operational requirements; design parameters; limitations; constraints; assumptions; and conditions; number and size of tanks; construction materials; liner types (cross section specified); pond constraints (such as: minimum retention time, depth, elevation, layout arrangement) and an equipment list to include new pumps, sumps, and piping, their locations; minimum clarifier size; and electric power requirements.
- Drawings to be included: Any drawing necessary to fulfill PADER filing requirements, system schematic with mass balances identified, a plan view of equipment (including ponds) arrangements and at least one elevation section showing lowest and highest points.

CHESTER ENGINEERS, INC
 PROJECT LISTING FOR
 DUQUESNE LIGHT PROJECTS
 1993, 1994, 1995, 1996, 1997
 AS OF 05/31/97

PROJ NO	PROJECT NAME	FEE TYPE *	RATE SCHD	AMOUNT
467701	PHASE III RESIDUAL WASTE COMPLIANCE	CPFF	-	160,000.00
467702	PHASE III RESIDUAL WASTE COMPLIANCE-CHESWICK	CPFF	-	185,000.00
467703	PHASE III RESIDUAL WASTE COMPLIANCE-ELRMA	CPFF	-	103,767.94
467704	PHASE III RESIDUAL WASTE COMPLIANCE-PHILLIPS	CPFF	-	42,689.00
467705	CHESWICK SLUDGE CHARACTERIZATION	CPM	ES	9,500.00
467706	FLYASH AND BOTTOM ASH HANDLING STUDY	CPM	ES	9,600.00
467707	TOXICS IDENTIFICATION EVALUATION	CPM	ES	9,838.00
467708	GROUNDWATER ASSESSMENT REPORTS	CPM	HS	10,000.00
467709	POWER STATION-BRUNOT ISLAND	CPM	ES	11,059.00
467710	ENVIRONMENTAL EXCELLENCE PROGRAM-CHESWICK	CPM	HS	37,000.00
467711	RIVER MIXING STUDY	CPM	ES	22,100.00
467712	GROUNDWATER ASSESSMENT ACTIVITIES	CPM	HS	9,700.00
467713	RESIDUAL WASTE BIENNIAL REPORT	CPM	HS	9,850.00
467714	KISSICK SITE CLOSURE PLAN	CPM	HS	9,900.00
467715	PHASE II GROUNDWATER ASSESSMENT-KISSICK	CPM	HS	9,900.00
467717	EMERGENCY ASH POND CLOSURE-CHESWICK	CPM	DL	200,000.00
467718	ASH POND-CHESWICK	LS	DL	4,750.00
467719	GENERAL PERMIT APPLICATION-KISSICK	CPM	DL	10,000.00
467720	RESIDUAL WASTE 299 COMPLIANCE-BRUNOT ISLAND	CPM	DL	5,000.00
467721	ASH DISPOSAL SITE CLOSURE PERMIT-BRUNOT ISLAND	CPM	DL	6,000.00
467722	ASH DISPOSAL SITE CLOSURE PERMIT-KISSICK	CPM	DL	8,000.00
467723	RESIDUAL WASTE DATA MANAGEMENT-CHESWICK	CPM	DL	43,700.00
467724	PHASE II GROUNDWAER ASSESSMENT-KISSICK	CPM	DL	28,500.00
467725	EAP ENVIRONMENTAL PARK-CHESWICK	CPM	DL	3,500.00
467726	FUNCTIONAL SPEC FOR LEAK DETECTION-CHESWICK	CPM	DL	4,500.00
467728	STREAM CROSSING-CHESWICK	CPM	DL	16,500.00
467729	GENERAL CONSULTING	CPM	DL	80,000.00
467730	EAP GROUNDWATER ASSESSMENT-CHESWICK	CPM	DL	50,000.00
467731	GROUNDWATER WELL REPLACEMENT-KISSICK	CPM	DL	77,200.00
467732	RESIDUAL WASTE ANNUAL REPORT	CPM	DL	20,000.00
467733	CONTRUCTION SPEC-KISSICK	CPM	DL	8,000.00
467734	EAP DAM EMERGENCY ACTION PLAN-CHESWICK	CPM	DL	74,650.77
467735	GENERAL CLOSURE PLAN FOR PONDS-CHESWICK	CPM	DL	9,000.00
467736	GENERAL CLOSURE & POND CLEANOUT-ELRAMA	CPM	DL	19,000.00
467737	POND SAMPLING CHARACTERIZATION-ELRAMA	CPM	DL	27,000.00
467738	POND SAMPLING CHARACTERIZATION-ELRAMA	CPM	DL	20,000.00
467739	AMD TREATMENT-WARWICK MINE	CPM	DL	15,000.00
467740	ENGINEERING AUDIT-CHLORINE SYSTEM	CPM	DL	6,000.00
467741	SWTP EVALUATION-OPS AUDIT	CPM	ES	6,500.00
467742	START-UP ASSISTANCE OF REBUILT SWTP	CPM	DL	3,500.00
467743	PREP ANNUAL & BIENNIAL RESIDUAL	CPM	DL	10,000.00
467744	LEFEVER CERT. SAMPLING-CHESWICK	CPM	DL	5,000.00
535201	TOXIC REDUCTION EVALUATION	CPM	DL	20,000.00
545701	MONTHLY OPS EVALUATION	LS	ES	5,000.00

* FEE TYPE

DL - DUQUESNE LIGHT MASTER STANDING ORDER
 ES - CHESTER ENVIRONMENTAL STANDARD RATE
 HS - HAZARDOUS WASTE STANDARD RATE

1993 CHARGES FOR PROFESSIONAL SERVICES

The charges for services provided by Chester Environmental consists of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPALS	\$98.00
SENIOR PROJECT/TECHNICAL MANAGERS	89.00
PROJECT/TECHNICAL MANAGERS	82.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	73.00
PROJECT ENGINEERS/SCIENTISTS	65.00
SENIOR ENGINEERS/SCIENTISTS	57.00
ENGINEERS/SCIENTISTS	50.00
SENIOR ENGINEERING TECHNICIANS	54.00
SENIOR RESIDENT	50.00
DESIGNERS*	52.00
ENGINEERING TECHNICIANS*	42.00
RESIDENT I*	43.00
RESIDENT II*	37.00
SENIOR TECHNICIANS*	30.00
TECHNICIANS*	25.00
ASSISTANT TECHNICIANS*	21.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: Special consultation services by members of the Corporate Technical Consultants Board will be billed at \$150.00 per hour. A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material cost and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



E1581/Effective January 1, 1993

1994 CHARGES FOR PROFESSIONAL SERVICES

Charges for services provided by Chester Environmental consists of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPALS	\$115.00
SENIOR PROJECT/TECHNICAL MANAGERS	100.00
PROJECT/TECHNICAL MANAGERS	90.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	80.00
PROJECT ENGINEERS/SCIENTISTS	70.00
SENIOR ENGINEER/SCIENTISTS	65.00
ENGINEERS/SCIENTISTS	55.00
SENIOR ENGINEERING TECHNICIANS	53.00
SENIOR RESIDENT	52.00
DESIGNERS*	52.00
ENGINEERING TECHNICIANS*	44.00
RESIDENT II*	45.00
RESIDENT I*	40.00
SENIOR TECHNICIANS*	35.00
TECHNICIANS*	30.00
ASSISTANT TECHNICIANS*	25.00
FIELD SURVEY CREW (3-MAN)*	99.00
FIELD SURVEY CREW (2-MAN)*	85.00

Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: Special consultation services by members of the Corporate Technical Consultants Board will be billed at \$150.00 per hour. A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



**CHESTER
ENVIRONMENTAL**

1581/Effective January 1, 1994

1995 CHARGES FOR PROFESSIONAL SERVICES

The charges for services provided by Chester Environmental consist of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPALS	\$115.00
SENIOR PROJECT/TECHNICAL MANAGERS	104.00
PROJECT/TECHNICAL MANAGERS	94.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	83.00
PROJECT ENGINEERS/SCIENTISTS	73.00
SENIOR ENGINEER/SCIENTISTS	67.00
ENGINEERS/SCIENTISTS	57.00
SENIOR ENGINEERING TECHNICIANS	57.00
SENIOR RESIDENT	57.00
DESIGNERS *	54.00
ENGINEERING TECHNICIANS *	46.00
RESIDENT I * <i>II</i>	47.00
RESIDENT II * <i>I</i>	42.00
SENIOR TECHNICIANS *	36.00
TECHNICIANS *	31.00
ASSISTANT TECHNICIANS *	26.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: Special consultation services by members of the Corporate Technical Consultants Board will be billed at \$150.00 per hour. A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



Hazardous Waste Rate
H

1995 CHARGES FOR PROFESSIONAL SERVICES

The charges for services provided by Chester Environmental consist of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPALS	\$115.00
SENIOR PROJECT/TECHNICAL MANAGERS	104.00
PROJECT/TECHNICAL MANAGERS	94.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	86.00
PROJECT ENGINEERS/SCIENTISTS	75.00
SENIOR ENGINEER/SCIENTISTS	68.00
ENGINEERS/SCIENTISTS	57.00
SENIOR ENGINEERING TECHNICIANS	57.00
SENIOR RESIDENT	57.00
DESIGNERS*	54.00
ENGINEERING TECHNICIANS*	46.00
RESIDENT II*	47.00
RESIDENT I*	42.00
SENIOR TECHNICIANS*	36.00
TECHNICIANS*	31.00
ASSISTANT TECHNICIANS*	26.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: Special consultation services by members of the Corporate Technical Consultants Board will be billed at \$150.00 per hour. A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



1996 CHARGES FOR PROFESSIONAL SERVICES

The charges for services provided by Chester Environmental consist of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPALS	\$115.00
SENIOR PROJECT/TECHNICAL MANAGERS	104.00
PROJECT/TECHNICAL MANAGERS	96.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	89.00
PROJECT ENGINEERS/SCIENTISTS	76.00
SENIOR ENGINEER/SCIENTISTS	70.00
ENGINEERS/SCIENTISTS	60.00
SENIOR ENGINEERING TECHNICIANS	60.00
SENIOR RESIDENT	60.00
DESIGNERS*	58.00
ENGINEERING TECHNICIANS*	50.00
RESIDENT II*	47.00
RESIDENT I*	42.00
SENIOR TECHNICIANS*	38.00
TECHNICIANS*	32.00
ASSISTANT TECHNICIANS*	28.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: Special consultation services by members of the Corporate Technical Consultants Board will be billed at \$150.00 per hour. A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



1997 CHARGES FOR PROFESSIONAL SERVICES

The charges for services provided by Chester Engineers consist of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Engineers personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
ENGINEERS/SCIENTISTS I	\$59.00
ENGINEERS/SCIENTISTS II	64.00
SENIOR ENGINEER/SCIENTISTS	73.00
PROJECT ENGINEERS/SCIENTISTS	80.00
SENIOR PROJECT ENGINEERS/SCIENTISTS	93.00
PROJECT/TECHNICAL MANAGERS	99.00
RESIDENT I*	43.00
RESIDENT II*	48.00
SENIOR RESIDENT	63.00
DESIGNERS*	60.00
SENIOR ENGINEERING TECHNICIANS	62.00
ENGINEERING TECHNICIANS*	52.00
SENIOR TECHNICIANS*	40.00
TECHNICIANS*	33.00
ASSISTANT TECHNICIANS*	29.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

PAYMENT: Progress invoices will be issued monthly and are to be paid within 30 days of the invoice date unless prior written agreement has been obtained. Subcontractor billings are payable upon presentation. A finance charge of 1.5% per month will be charged on past due accounts. A 1% cash discount will be allowed on billings for services paid within 15 days of invoice date.

SENIOR MANAGEMENT RATES: Principals who provide technical review and project guidance and Senior Management who are directly involved in the technical and/or management aspects of a project will be billed at \$112.00 per hour.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

EQUIPMENT: Use of equipment and vehicles owned by Chester Engineers will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by outside laboratories will be invoiced as subcontractor costs.

ADDITIONAL SERVICES: A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance telephone, telex, facsimile, PC computer usage, postage, photocopying and blueprints will be invoiced at company cost. Express mail services or drawings, specifications and report reproductions will be invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 15%. Personal vehicles will be billed at \$0.31/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.



CHESTER ENGINEERS, INC
SUMMARY OF PAYMENTS RECEIVED FOR
DUQUESNE LIGHT PROJECTS
1993, 1994, 1995, 1996, 1997
AS OF 05/25/97

PROJECT #	1993		1994		1995		1996		1997		TOTAL		BALANCE	
	BILLINGS	RECEIPTS	BILLINGS	RECEIPTS	BILLINGS	RECEIPTS	BILLINGS	RECEIPTS	BILLINGS	RECEIPTS	BILLINGS	RECEIPTS		
467701			128,648.31	126,154.28	38,081.94	40,573.99					166,728.25	166,728.25	0.00	
467702			155,380.89	150,401.77	24,840.45	29,994.49					180,371.82	180,586.74	(195.12)	
467703			89,544.85	87,235.48		6,219.24		170.48		170.48	95,934.57	95,934.57	(0.00)	
467704			24,564.09	24,564.09		4,321.82		170.48		344.76	28,885.91	28,971.25	(85.34)	
467705			2,820.00	1,270.00		6,358.11					8,978.11	8,978.11	0.00	
467706			9,600.00	9,600.00							9,600.00	9,600.00	0.00	
467707			8,013.18	8,013.18	1,825.00	1,825.00					9,838.18	9,838.18	0.00	
467708			10,000.00			10,000.00					10,000.00	10,000.00	0.00	
467709			11,059.27	4,759.67		6,299.60					11,059.27	11,059.27	0.00	
467710			14,198.58		6,607.19	20,803.57	16,198.43	16,198.43			37,000.00	37,000.00	0.00	
467711			6,078.19			6,078.19					6,078.19	6,078.19	0.00	
467712					9,700.00	9,700.00					9,700.00	9,700.00	0.00	
467713					9,784.50	9,784.50					9,784.50	9,784.50	0.00	
467714					9,900.00	9,900.00					9,900.00	9,900.00	0.00	
467715					9,893.60	9,893.60					9,893.60	9,893.60	0.00	
467717					49,673.51	41,094.27	66,408.53	90,616.75	15,589.75	11,648.83	151,671.79	143,358.65	8,312.14	
467718					4,750.00	4,750.00					4,750.00	4,750.00	0.00	
467719					4,827.59	3,278.19	158.34	1,707.74			4,985.93	4,985.93	(0.00)	
467720					604.94	604.94					604.94	604.94	0.00	
467721					2,604.21	2,604.21	119.38	119.38			2,723.59	2,723.59	0.00	
467722					7,633.32	7,633.32					7,633.32	7,633.32	0.00	
467723					8,988.90	8,988.90	32,439.63	32,439.63			41,428.53	41,428.53	0.00	
467724					24,687.08	24,687.08					24,687.08	24,687.08	0.00	
467725					152.25	152.25					152.25	152.25	0.00	
467726					3,628.63	3,628.63					3,628.63	3,628.63	0.00	
467728					12,550.28	10,561.77	1,173.45	3,141.96			13,723.73	13,723.73	0.00	
467729					22,853.51	10,488.18	9,734.53	21,130.53	1,855.52	2,824.85	34,443.56	34,443.56	0.00	
467730					14,338.81	11,240.76		3,098.05			14,338.81	14,338.81	0.00	
467731					68,098.41	22,448.86		5,739.32			73,835.73	73,835.73	0.00	
467732						20,000.00		20,000.00			20,000.00	20,000.00	0.00	
467733						7,995.68		7,995.68			7,995.68	7,995.68	0.00	
467734						46,482.77		46,482.77	22,583.98	15,837.13	69,066.75	62,319.90	6,746.85	
467735						8,995.44		8,995.44			8,995.44	8,995.44	0.00	
467736						12,150.21		12,150.21			12,150.21	12,150.21	0.00	
467737						10,134.38		10,134.38			10,134.38	10,134.38	0.00	
467738						10,639.79		10,639.79	5,130.29	3,923.44	15,770.06	14,563.23	1,206.85	
467739						2,208.22		2,208.22	5,466.95	7,675.17	7,675.17	7,675.17	0.00	
467740											0.00	0.00	0.00	
467741									6,500.00		6,500.00	0.00	6,500.00	
467742									2,251.89		2,251.89	0.00	2,251.89	
467743									10,000.00	10,000.00	10,000.00	10,000.00	0.00	
467744									3,358.26	1,144.68	3,358.26	1,144.68	2,213.58	
535201							6,008.70	5,029.70	2,572.00	3,004.00	8,580.70	8,033.70	547.00	
545701											0.00	0.00	0.00	
DUQUESNE ENTERPRISES														
533201							4,857.50	4,857.50			4,857.50	4,857.50	0.00	
	0.00	0.00	459,680.96	411,998.45	352,921.27	327,501.86	281,783.28	346,638.07	75,308.44	56,057.90	1,169,693.93	1,142,196.28	27,497.65	

CHESTER ENGINEERS, INC
EXPLANATION OF FEE CHARGED
DUQUESNE LIGHT PROJECTS

A PROPOSAL IS SUBMITTED WITH A MAXIMUM NOT-TO-EXCEED AMOUNT. DUQUESNE LIGHT COMPANY CAN ACCEPT OR REJECT THE PROPOSAL. IF IT IS ACCEPTED, A WORK RELEASE NUMBER IS ISSUED AGAINST THE MASTER STANDING ORDER.

Duquesne Light Company
PURCHASE ORDER

P.O. # 4617-17
Hand C.R.S.



DUQUESNE LIGHT COMPANY
 CORPORATE PURCHASER DEPT., 407
 1101 BEAVER AVENUE
 PITTSBURGH, PA 15281
 TELEPHONE: (412) 398-5000
 FAX: (412) 398-5015

INVOICE INSTRUCTIONS
 And freight bill and INVOICE IN DUPLICATE to:
 Accounts Payable Dept., 29-4
 Duquesne Light Company
 Box 1920
 Pittsburgh, PA 15230-1920

Please show our order number, release number (if applicable), item number, stock number, and destination on all invoices, packages and papers pertaining to this order. Invoices are to show the identical unit as appears on this written order. When invoicing for transportation charges, always substantiate your charges by enclosing prepaid carrier's invoice.

DO NOT BILL PENNSYLVANIA SALES TAX. Direct Pay Permit #00131 issued to Duquesne Light Company constitutes authority for Payment of Sales and Use Taxes directly to the Department of Revenue.

Deliveries accepted 8:00 a.m. to 4:00 p.m. Monday through Friday (except holidays).

ORDER NUMBER **D 12 51 30**

DATE: 04-10-93
 SHIP TO: FREDERICK E. BICKERTON
 421 7TH AVENUE

VENDOR: CHESTER ENVIRONMENTAL
 1000 CLOUDBOGE DRIVE
 ATTENTION JAMES S. HALL
 MOON TOWNSHIP PA 15108

BUYER:
 MELVIN W. CRIGLER

POOR ORIGINAL

ATTACHMENTS: SEE ATTACHMENTS			INQUIRY NUMBER: 00019-9990		
Item	QUANTITY		DESCRIPTION	STOCK NUMBER	UNIT PRICE
	Number	Unit			
001			TO PERFORM GROUNDWATER ASSESSMENT/ ABATEMENT PLANNING ACTIVITIES FOR COAL-FIRED UTILITY RESIDUAL WASTE MANAGEMENT SITES. • ALL IN ACCORDANCE WITH THE ATTACHED GENERAL SERVICES AGREEMENT DATED MARCH 30, 1993 AND ALL EXHIBITS, TERMS AND CONDITIONS, SUPPLEMENTAL TERMS AND CONDITIONS AND ATTACHMENTS THERETO. • ALL OTHER TERMS AND CONDITIONS INCLUDING THOSE PRE-PRINTED ON THE REVERSE SIDE OF THE PURCHASE ORDER FORM SHALL NOT APPLY TO THIS ORDER. • PRICE SHOWN ON THIS PURCHASE ORDER IS AN ESTIMATED NOT TO EXCEED PRICE AND DOES NOT OBLIGATE DLEC TO AWARD WORK TO THE MAXIMUM SHOWN. • FINAL AUTHORIZATION OF THIS PURCHASE ORDER IS CONTINGENT UPON POC APPROVAL. •		1000000.0000

Vendor Quotation Number: _____ Quotation Date: 03-08-93
 Required Delivery/Completion: AS REQUESTED F.O.B.: DELIVERED
 Payment Terms: 1-30

ALL EQUIPMENT AND/OR SERVICES PROVIDED UNDER THIS PURCHASE AGREEMENT SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS PURCHASE ORDER AND/OR ANY OTHER TERMS AND CONDITIONS SPECIFIED BY BUYER HEREIN. NO SELLER TERMS AND CONDITIONS SHALL APPLY UNLESS SPECIFICALLY INCORPORATED BY BUYER INTO THE PURCHASE AGREEMENT.

THE ATTACHED ACKNOWLEDGMENT MUST BE SIGNED AND RETURNED WITHIN SEVEN DAYS FROM THE DATE OF THE ORDER TO THE PURCHASING ADDRESS ABOVE

PURCHASE ORDER



DUQUESNE LIGHT COMPANY
 CORPORATE PURCHASING DEPT., RFP
 2101 BEAVER AVENUE
 PITTSBURGH, PA 15230
 TELEPHONE: (412) 393-0608
 FAX: (412) 393-0619

INVOICE INSTRUCTIONS

Send freight bill and INVOICE IN DUPLICATE to:
 Accounts Payable Dept., 29-4
 Duquesne Light Company
 Box 1920
 Pittsburgh, PA 15230-1920

Please show our order number, release number (if applicable), item number, stock number, and destination on all invoices, packages and papers pertaining to this order. Invoices are to show the identical unit as appears on this written order. When invoicing for transportation charges, always substantiate your charges by enclosing prepaid carrier's invoice.

DO NOT BILL PENNSYLVANIA SALES TAX. Direct Pay Permit #00131 issued to Duquesne Light Company constitutes authority for Payment of Sales and Use Taxes directly to the Department of Revenue.

Deliveries accepted 8:00 a.m. to 4:00 p.m. Monday through Friday (except holidays).

ORDER NUMBER **D139089**

DATE: 04-13-95
 SHIP TO: FREDERICK J BICKERTON
 411 7TH AVENUE

VENDOR: CHESTER ENVIRONMENTAL
 800 CLUBHOUSE DRIVE
 ATTENTION JAMES E. HALL
 MOON TOWNSHIP PA 15108

H

BUYER:
 MELVIN A. CRIGLER

POOR ORIGINAL

ATTACHMENTS: SEE ATTACHMENTS			INQUIRY NUMBER: 0052699999		
Item	QUANTITY Number	Unit	DESCRIPTION	STOCK NUMBER	UNIT PRICE
			*** TOTAL PURCHASE ORDER PRICE		3000000.00

Vendor Quotation Number:
 Required Delivery/Completion: AS REQUESTED
 Payment Terms: N-30

Quotation Date: 00-00-00
 F.O.B.: DELIVERED

ALL EQUIPMENT AND/OR SERVICES PROVIDED UNDER THIS PURCHASE AGREEMENT SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITION ON THE REVERSE SIDE OF THIS PURCHASE ORDER AND/OR ANY OTHER TERMS AND CONDITIONS SPECIFIED BY BUYER HEREIN. NO SELLER TERM AND CONDITIONS SHALL APPLY UNLESS SPECIFICALLY INCORPORATED BY BUYER INTO THE PURCHASE AGREEMENT.

THE ATTACHED ACKNOWLEDGMENT MUST BE SIGNED AND RETURNED WITHIN SEVEN DAYS FROM THE DATE OF THE ORDER TO THE PURCHASING ADDRESS ABOVE

GENERAL SERVICES AGREEMENT

THIS GENERAL SERVICES AGREEMENT, made effective as of this 30th day of March, 1995, by and between DUQUESNE LIGHT COMPANY, a Pennsylvania corporation, with offices at One Oxford Centre, Pittsburgh, Pennsylvania 15222 ("DLC"), and CHESTER ENVIRONMENTAL, INC., a Pennsylvania corporation, with offices at 600 Clubhouse Drive, Moon Township, PA 15108 ("Contractor").

RECITALS

WHEREAS, DLC desires to retain Contractor to perform services associated with groundwater assessment/abatement planning activities at various residual waste management facilities (e.g., landfills and impoundments) operated by DLC, and Contractor is willing to provide such services, all as more specifically described elsewhere in the documents comprising the agreement between the parties (as set forth below).

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, and intending to be legally bound hereby, DLC and Contractor agree as follows:

1. Scope of Coverage of this Agreement
 - (A) The provisions of this Agreement shall govern all work (the "Work") performed or to be performed by Contractor for DLC for the period beginning on the date of this Agreement and shall continue indefinitely until terminated by DLC pursuant to the provisions of the Contract Documents (as that term is defined in Section 3 below); provided, however, that Contractor's prices set forth in the Rate Schedules attached hereto as Exhibit D shall only be effective and binding until July 4, 1998, as more specifically set forth in subsection (B) below.
 - (B) The prices and rates set forth on the Rate Schedules attached hereto as Exhibit D shall be effective and binding on Contractor for all Projects for which Work Releases (as that term is defined in subsection (C) below) are issued prior to July 4, 1998. For periods thereafter, Contractor and DLC shall negotiate and attempt to reach mutual agreement on revised Rate Schedules. In the event the parties are able to do so, such revised Rate Schedules shall be substituted for the existing Rate Schedules attached as Exhibit D and this Agreement shall continue in effect thereafter indefinitely or for such lesser period as the parties may at that time specify. In the event the parties are not able to reach agreement on revised Rate Schedules by July

30, 1998, either party may terminate this Agreement as to all future Work; provided, however, that Contractor shall be obligated to complete Work on all Projects (as that term is defined in subsection (C) below) for which Work Releases have been issued at the prices and rates set forth in the Rate Schedules attached hereto.

- (C) The parties intend that Contractor may work on various projects relating to groundwater assessment/abatement planning activities (each an individual "Project" and, collectively, the "Projects") for DLC during the term of this Agreement, and that this Agreement will provide the general terms and conditions applicable to Work on each such Project. Each individual Project will be documented and authorized by DLC's issuance of a Work Release Form, a blank copy of which is attached hereto as Exhibit A (a "Work Release"), appended to which will be the documents which describe the details and scope of Work for that individual Project (e.g., drawings, specifications, schedules, statements of scope of Work). The provisions of this Agreement will govern each individual Project, irrespective of whether or not the individual Work Release expressly refers to this Agreement, unless the Work Release itself (other than via preprinted language) expressly states that this Agreement is not intended to govern the performance of Work on that Project. Until Contractor receives a Work Release, it is not authorized to perform any Work, or incur any costs, which are billable to DLC on any Project.
- (D) This Agreement supersedes any standard preprinted terms and conditions set forth on the face or reverse of DLC's Purchase Order and Work Release (or any form purchase orders issued in connection therewith). This Agreement also supersedes any of Contractor's purchase order or acknowledgement documents or any standard terms and conditions appended to or included with Contractor's proposals (unless the individual Work Release expressly provides otherwise.)

2. Procedure for Contracting. Work on a given Project will be issued to Contractor via one of three alternative procedures:

- (A) In some cases, DLC or third parties designated by DLC (which may include the contractors) will prepare a detailed individual work scope for Work on a given Project. DLC will then request that the Contractor (either alone, or together with other contractors) submit pricing proposals. DLC will then negotiate pricing with one or more contractors. DLC will then choose one or more contractors to perform the Work on that specific Project and will issue a Work Release for that Project.

- (B) In other cases, DLC will prepare a general technical specification for the Project and DLC will request that the Contractor (either alone, or together with other contractors) submit detailed technical and pricing proposals. DLC will then finalize the scope of work, negotiate pricing and choose one or more contractors to perform Work on that specific Project. DLC will then issue a Work Release for that Project.
- (C) In other cases (e.g., for relatively simple or straightforward tasks; or, to prepare a detailed individual work scope for use in situations covered in subsection (A) above), DLC will issue a Work Release directly to Contractor under the terms, conditions and rates set forth in this Agreement.
- (D) Contractors asked to submit proposals under subsections (A) and (B) above will not be entitled to receive any compensation whatsoever from DLC therefor.
- (E) Contractor acknowledges that DLC is entering into other General Services Agreements with other contractors for performance of Work associated with groundwater assessment/abatement planning activities at the same residual waste management facilities at which Projects hereunder will be performed by Contractor. Nothing contained herein shall be construed as a representation or guarantee by DLC that any minimum amount of Work, or any Work at all, will be performed by the Contractor. Similarly, the solicitation of proposals from Contractor pursuant to subsections (A), (B) or (C) above shall not be construed as a representation or guarantee that any Work on the Project for which the solicitation is made will be awarded to Contractor.

3. The Contract Documents. The documents which constitute the agreement of the parties (the "Contract Documents") for any given Project shall consist of the following:

- (A) the DLC form purchase order (the "Purchase Order");
- (B) this General Services Agreement;
- (C) the General Terms and Conditions - Environmental Services attached hereto as Exhibit B (the "General Terms and Conditions");
- (D) the Supplemental Terms and Conditions attached hereto as Exhibit C (the "Supplemental Terms and Conditions");
- (E) the Rate Schedules set forth on Exhibit D attached hereto;

- (F) the General Technical Specification attached hereto as Exhibit E (the "General Technical Specification");
- (G) the applicable DLC Work Releases for individual Projects (with attachments, including, without limitation, related work scopes, specifications, pricing materials, etc.);
- (H) Extra Work Orders, if any, as issued (with attachments);
- (I) any modifications to any of the above-listed documents issued after the date hereof agreed upon in writing by both parties; and
- (J) any documents which are expressly referred to in the Work Releases or Extra Work Orders as being part of or incorporated into the Contract Documents.

The Contract Documents taken in their entirety represent the agreement between the parties and are sometimes hereinafter collectively referred to as the "Agreement", or alternatively, as the "Contract". Unless a document is specifically listed above, it shall not be considered to be a Contract Document.

4. Conflicts in Documents. The Work shall be performed in accordance with all of the requirements of the Contract Documents.

In the event of any conflicts or discrepancies among the Contract Documents, Contractor shall submit such conflicts or discrepancies to DLC for determination, and Contractor shall proceed at its own risk if it fails to do so. DLC's decision on such matters shall be final and binding on Contractor.

5. Scope of Work; Pricing Alternatives.

- (A) Contractor shall furnish all labor, services, supervision, material, tools, supplies, machinery and equipment necessary to fully and completely perform the Work in accordance with the provisions of the Contract Documents.
- (B) Pricing alternatives under this Contract shall consist of (i) time and materials pricing; (ii) time and materials pricing with a not to exceed cap; (iii) unit pricing; and (iv) lump sum pricing.

6. Time and Materials, Not to Exceed and Unit Price Contracts - Pricing and Payment Terms. Unless otherwise agreed in writing for a particular Project, set forth below are pricing and payment terms applicable to those Projects on which Contractor will be performing Work on a time and materials, time and materials not to exceed cap or unit price basis.

Handwritten notes:
1/10/30
No → Handwritten
Re: ...
3/5

(A) The method of and rates for charging for time and materials, not to exceed and unit priced Work shall be as set forth in the Rate Schedules attached hereto as Exhibit D. The fees, prices and rates set forth on the Rate Schedules shall remain in effect for all Work on Work Releases issued before July 4, 1998, unless otherwise negotiated between the parties and evidenced by a written amendment to the Agreement. After July 4, 1998, the fees, prices and rates shall be as agreed in writing by the parties pursuant to Section 1(B) hereof.

(B) In cases of pure time and materials pricing (as contrasted with those situations where pricing is on a time and materials not to exceed cap basis) where Contractor has provided DLC with an estimate for the overall cost of the Work, Contractor shall promptly notify DLC at such time as Contractor becomes aware that its charges for performing Work on a given Project, or any component task thereof, will exceed the estimate provided for in that Work Release. Such notice shall specify the reason Contractor's estimate is inaccurate, the extent of such inaccuracy, Contractor's best estimate as to the actual costs of completion and the impact, if any, on the schedule.

Contractor shall not be entitled to payment in excess of its estimate unless (i) Contractor has provided DLC with the notice referred to in the preceding paragraph; (ii) Contractor's charges in excess of its estimate are approved in writing by DLC in advance; and (iii) Contractor demonstrates to DLC that Contractor's underestimate was due to circumstances which Contractor did not and reasonably could not have anticipated at the time it submitted its estimate to DLC.

(C) In cases where pricing is on a time and materials not to exceed cap basis, such not to exceed price shall be considered to be a maximum all-inclusive ceiling for that Work, and Contractor shall not be entitled to any additional compensation therefor. Contractor will be obligated to complete all Work regardless of whether or not it has reached its not to exceed cap maximum price for that Project.

(D) Payments of the contract price on a Project (the "Contract Price") otherwise due Contractor from DLC may be withheld by DLC, without payment of

interest, on account of Work not done, defective Work done and not remedied by Contractor, unpaid labor or materials bills, or unpaid claims of any kind agreed to be paid by Contractor, or upon reasonable evidence such unpaid bills or claims are outstanding, or upon reasonable evidence that Contractor's progress on the Work is lagging behind schedule, or that the percentage of the estimated price for a particular task already paid to Contractor is in excess of the percentage completion of that task. Additionally, DLC may offset or withhold payments of the Contract Price on one Project as a result of claims DLC may have against Contractor arising from other Projects under this Agreement. DLC is not obligated to pay any bills of, or claims against, the Contractor from payments withheld, but may do so in its sole discretion, and Contractor agrees to defend, indemnify and hold harmless DLC from any claims, demands, liabilities and damages arising from any such payment. If and when the cause or causes for withholding payments are remedied or removed without cost to DLC, and satisfactory evidence of such remedy has been presented to DLC, the withheld payments will be promptly made to Contractor. If Contractor fails to remedy such cause within thirty (30) days after written notice by DLC, DLC may remedy the cause and deduct the cost of it from the amount due Contractor. In the event such cost shall exceed the balance due Contractor, Contractor shall be liable for and pay the difference to DLC.

John Hall
10/12/12
10/12/12

(E)

On each Project, Contractor shall itemize and present to DLC in writing an invoice for all fees and costs at the end of each month while Work is being performed. Such invoices shall be submitted to DLC no later than the fifteenth business day of the following month. Contractor's invoice shall include on its face the site name, DLC Work Release number, billing category and such other information as DLC shall reasonably deem appropriate. The invoice shall itemize the charges for each task or portion of a task. The invoice shall provide a summary of actual hours worked by Contractor's professional and technical employees by name, classification and hourly rate. Direct, non-salary reimbursable expenses, including subcontracted services, shall be itemized separately on each invoice. Contractor shall submit appropriate substantiation with all invoices, including without limitation, time sheets, subcontractor invoices, material invoices, expense vouchers, documentation of units completed, etc. The cost of invoice preparation shall not be charged to DLC. Contractor shall prepare on a monthly basis and include with the invoice(s) a Project financial summary identifying the current budget amount, the amount expended to date and a corresponding estimate of the percentage completion for each task. Invoices for all Projects on which Contractor is currently working shall be submitted at the same time, but shall be segregated by Project.

DLC
Don't include a line

Don't include a line

Don't include a line

- (F) Unit prices and time and material rates specified in this Agreement include all necessary material, overhead and profit.
- (G) DLC shall review all invoices to ascertain that the invoiced amount is correct, and shall also review the Work performed by Contractor to verify that the Work described in the invoice has been properly performed. Upon completion of such review, payments undisputedly due Contractor under this Section 6 shall be made no later than thirty (30) days after DLC's receipt of Contractor's invoice. Disputed items on invoices shall be disallowed and reasons for the disallowance will be communicated to the Contractor.
- (H) All payments to be made to Contractor on each Project shall be subject to retainage of ten percent (10%).
- (I) Contractor represents and warrants that labor costs, other expenses and rates of profit charged to DLC hereunder will be no greater than costs, expenses and rates charged on like size contracts with any of Contractor's other customers.

7. **Lump Sum Contracts - Pricing and Payment Terms.** Unless otherwise agreed in writing for a particular Project, set forth below are pricing and payment terms applicable to those Projects on which Contractor is performing Work on a "lump sum" basis.

- (A) DLC shall pay Contractor for the performance of Work on a "lump sum" basis the aggregate sum referred to in DLC's Work Release applicable to that Project, subject to additions and deductions as provided for in the Contract Documents. The Contract Price includes all charges for Work, including all services, goods and equipment necessary for the performance of all of Contractor's obligations on that Project pursuant to the Contract Documents. Contractor's price shall be considered to be an all-inclusive lump sum price with no escalation.
- (B) Payments otherwise due Contractor from DLC on a Project may be withheld by DLC, without payment of interest, on account of Work not done, defective Work done and not remedied by Contractor, unpaid labor or materials bills, or unpaid claims of any kind agreed to be paid by Contractor, or upon reasonable evidence such unpaid bills or claims are outstanding, or upon reasonable evidence that Contractor's progress on the Work is lagging behind schedule or that the percentage of the estimated price for a particular task already paid to Contractor is in excess of the percentage completion of that task. Additionally, DLC may offset or withhold payments of the Contract

Price on one Project as a result of claims DLC may have against Contractor arising from other Projects under this Agreement. DLC is not obligated to pay any bills of, or claims against, the Contractor from payments withheld, but may do so in its sole discretion, and Contractor agrees to defend, indemnify and hold harmless DLC from any claims, demands, liabilities and damages arising from any such payment. If and when the cause or causes for withholding payments are remedied or removed without cost to DLC, and satisfactory evidence of such remedy has been presented to DLC, the withheld payments will be promptly made to Contractor. If Contractor fails to remedy such cause within thirty (30) days after written notice by DLC, DLC may remedy the cause and deduct the cost of it from the amount due Contractor. In the event such cost shall exceed the balance due Contractor, Contractor shall be liable for and pay the difference to DLC.

- (C) Unless otherwise specified in an individual Work Release, on any Project where Contractor is to perform Work on a lump sum price basis, Contractor shall submit to DLC a Schedule of Values which subdivides the Work on that Project into numerous subtasks on both a percentage and dollar basis. DLC will scrutinize the Contractor's submitted Schedule of Values to determine whether Schedule entries bear a reasonable relationship to Contractor's anticipated expenditures, and all submitted Schedules of Values will be subject to DLC approval.
- (D) Unless otherwise specified in the Work Release for a given Project, DLC shall make progress payments of the Contract Price on a Project, minus retainage as described in subsection (ii) below, on a monthly basis on account of the Contract Price as set forth below:
 - (i) Attached to the Work Release for that Project shall be the Schedule of Values agreed to by both parties which allocates the Contract Price among the various portions of the Work.
 - (ii) The amount of each monthly progress payment shall be calculated by Contractor as follows:
 - (a) Take that portion of the Contract Price properly allocable to Work on that Project properly completed during that calendar month as determined by multiplying Contractor's estimate of the percentage completion of each portion of the Work by that portion of the total Contract Price allocated to that portion of the Work in the Schedule of Values, less retainage of ten percent (10%); and

- (b) Subtract the aggregate of previous payments made to Contractor.
- (iii) Contractor shall submit its invoice to DLC no later than the fifteenth business day of the following month. Contractor's invoice shall include on its face the site name, DLC Work Release Number, billing category and such other information as DLC shall deem reasonably appropriate. Contractor shall submit appropriate substantiation with all invoices, including without limitation, documentation demonstrating that Contractor's estimates of completion under subsection (ii)(a) above are accurate. Invoices for all Projects on which Contractor is currently working shall be submitted at the same time, but shall be segregated by Project.
- (iv) DLC shall review all invoices to ascertain that the invoiced amount is correct, and shall also review the Work performed by Contractor to verify that the Work described in the invoice has been properly performed. Upon completion of such review, payments undisputedly due Contractor under this Section 7 shall be made no later than thirty (30) days after DLC's receipt of Contractor's invoice. Disputed items on invoices shall be disallowed and reasons for the disallowance will be communicated to the Contractor.
- (v) Notwithstanding the provisions of subsection (ii) above, DLC shall be entitled to withhold payments otherwise due Contractor if Contractor is not in compliance with the Contract schedule.

8. Final Payment.

- (A) Unless otherwise agreed in writing for a particular Project, any retainage withheld by DLC, as well as the final payment due Contractor on a Project hereunder, shall be invoiced by Contractor to DLC after the last to occur of the following: (i) final completion and acceptance of the Project (as outlined in Section 12 hereof) has occurred, (ii) Contractor has submitted proof reasonably satisfactory to DLC that all payrolls, bills for material and equipment and other indebtedness connected with the Work on that Project have been paid or otherwise satisfied, and (iii) all other conditions to final payment mentioned elsewhere in the Contract Documents have been fulfilled. Retainage and final payments undisputedly due Contractor under this Section 8 shall be made no later than thirty (30) days after DLC's receipt

of Contractor's invoice. Disputed items shall be disallowed and reasons for the disallowance will be communicated to the Contractor.

- (B) Acceptance of final payment on a Project by the Contractor shall constitute a waiver of any and all claims by the Contractor against DLC for that Project.
- (C) Upon DLC's request, as a condition to final payment for each Project, Contractor shall furnish a general release of all claims and final lien waivers from itself and all of its subcontractors to DLC in such form and substance as is reasonably acceptable to DLC.

9. **Extra Work Orders.** Contractor shall not be entitled to any compensation in addition to that specified in the Work Release for the performance of any work not required on a Project under the terms of the Work Release or any other claimed extra work unless prior to the performance of such extra work, Contractor shall have received from DLC specific written authorization by means of an Extra Work Order in the form of Exhibit F attached hereto.

10. **Invoices.** Contractor's invoices shall be prepared in triplicate and sent to the following address:

Duquesne Light Company
Accounts Payable 29-4
P.O. Box 1920
Pittsburgh, PA 15230-1920

11. **Taxes.** The compensation to be paid to Contractor hereunder shall include, and Contractor shall be liable for and shall pay, and shall indemnify, defend and hold DLC harmless from, all taxes, duties, assessments or other charges (together with any fines or penalties in connection therewith) levied by any government agency or authority on or because of the Work or any materials, supplies or other deliverables furnished or used in the performance of the Work.

12. **Acceptance Procedures.** Upon completion of all of the Work on a Project in accordance with the requirements of this Agreement, Contractor shall provide DLC with a written notice of completion. Upon receipt of Contractor's notice, DLC shall have thirty (30) days to inspect the Contractor's final work product and either provide Contractor with a written notice of acceptance or a written notice of rejection, which shall specify the reasons for rejection and the required corrective action. In the event that DLC rejects Contractor's notice of completion, Contractor shall take such corrective action as is necessary and, upon completion thereof, shall resubmit a notice of completion to DLC, whereupon the foregoing acceptance procedures shall apply and shall thereafter continue to apply until DLC accepts

Contractor's Work as complete. Any final payment due Contractor hereunder shall be withheld until acceptance occurs.

13. Payment Does Not Constitute Acceptance. No payment (including final payment) under this Agreement shall be deemed an acceptance or approval of Contractor's Work on any given Project, nor shall payment be construed as a release or satisfaction of Contractor's obligations on that Project under this Agreement.

14. Key Personnel. During the term of this Agreement, the persons whose names appear on the Key Personnel chart attached hereto as Exhibit G shall be deemed necessary for the successful performance of the Contract. Contractor shall assign such persons to the performance of Work hereunder and shall not reassign or remove any of such persons without the prior written consent of DLC.

15. Subcontracts. Simultaneously with the issuance of the applicable Work Release, Contractor shall give written notice to DLC of all Work to be subcontracted, the identity of all proposed subcontractors, the major items to be supplied, the identity of all suppliers and the basis upon which the proposed subcontractor is to be paid. Such notice shall specify on its face the applicable Work Release number. DLC has the right to approve in advance all subcontractors and suppliers engaged by Contractor and the manner in which each subcontractor and supplier is to be paid. If DLC disapproves of the engagement of a proposed subcontractor or use of a supplier, it immediately shall notify the Contractor and Contractor shall not engage said subcontractor or use said supplier. DLC reserves the right to contract directly with a third party to perform any portion of the Work Contractor proposes to subcontract.

Contractor shall include in all subcontracts all provisions of the Contract Documents which in any way may be applicable to performance of the subcontract including, without limitation, this provision, the confidentiality provision and all other provisions intended for the protection of DLC. The term "Subcontractor" shall be substituted for the term "Contractor" and the term "Contractor" shall be substituted for the term "DLC" in all provisions of the Agreement utilized in drawing up subcontracts as provided above. DLC shall have the right to review and approve all subcontracts before the same are awarded.

Contractor shall not be relieved of any responsibility or obligations under the Agreement by subcontracting any portion of the Work. Nothing contained in this Agreement shall be construed so as to create any contractual relationship between any subcontractor or supplier and DLC.

16. Permits/Licenses/Agreements. If permits, licenses, or agreements are required for a Project, Contractor shall prepare the required materials and application and

submit them to DLC for detailed review. Contractor shall revise the application and materials, as necessary, and submit them for signature to DLC. Upon DLC signature, Contractor shall file the application and materials with the appropriate agency(s).

17. Agency and Public Involvement. At the direction of DLC, Contractor shall prepare, distribute and/or present information on a Project to various governmental agencies and/or special interest groups. It is understood that the specific nature of the information and the agencies and/or groups to receive such information will be established by DLC. Contractor shall be fully prepared to lead discussions on technical issues regarding the Project and to have the appropriate key personnel available to present information and answer questions concerning the nature, scope and schedule of the Project. Contractor shall prepare written and graphic materials appropriate for such meetings upon consultation with and at the direction of DLC.

18. Notices.

(A) Any notice provided for hereunder shall be served personally on DLC's authorized representative and Contractor's authorized representative at their respective places of business or shall be sent by registered mail to the address of each party shown below.

(B) Notices of a technical nature, including inquiries, reports, data, correspondence, drawings and other specialized, engineering, or scientific information shall be sent to:

If to Owner

Duquesne Light Company
411 Seventh Avenue
P.O. Box 1930
Maildrop 14-760
Pittsburgh, PA 15219-1939
Attn: F. J. Bickerton, Jr.
Telephone No.: (412) 393-6653
Fax No.: (412) 393-4195

If to Contractor

Chester Environmental, Inc.
600 Clubhouse Drive
Moon Township, PA 15108
Attn: James E. Hall
Telephone No.: (412) 269-5758
Fax No.: (412) 269-5865

(C) Notices of a commercial or contractual nature, including inquiries concerning supplies or services, delivery schedules, invoicing procedures/requirements, financial information, or other terms as well as the signed acknowledgement copies of this document, shall be sent to:

If to Owner

Duquesne Light Company
Corporate Purchasing
2101 Beaver Avenue
Pittsburgh, PA 15233
Attn: M. W. Crigler
Telephone No.: (412) 393-8608
Fax No.: (412) 393-8619

If to Contractor

Chester Environmental, Inc.
600 Clubhouse Drive
Moon Township, PA 15108
Attn: James E. Hall
Telephone No.: (412) 269-5758
Fax No.: (412) 269-5865

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date set forth in the introductory paragraph hereof.

DUQUESNE LIGHT COMPANY

CHESTER ENVIRONMENTAL,
INC.

By: Jodi Kelsey
Jodi Kelsey
Director of Contracts

April 24, 1995

By: James E. Hall
James E. Hall
Vice President

GRB 4/17/95

EXHIBIT A

WORK RELEASE FORM

**DUQUESNE LIGHT COMPANY
WORK RELEASE FORM**

Date: _____

Subject: Groundwater Assessment/Abatement Project
Contract No.: _____
Work Release No.: _____

Contractor: _____
Address: _____

Contractor is hereby authorized to perform Work on the Project listed below. The terms and conditions governing the performance of Work shall be as set forth below, in the attachments hereto and in the "Contract", as that term is defined in the General Services Agreement dated _____, 199____ by and between Contractor and Duquesne Light Company. This Work Release when executed by Duquesne Light Company and Contractor shall constitute a Contract Document under said General Services Agreement.

Location of Site: _____

Nature of Work to be Performed: _____

Method of Pricing: _____

Lump Sum Price (if applicable): \$ _____

Not-to-Exceed Cap (if applicable): \$ _____

Contractor's Estimate on Time and Material Projects (if applicable): \$ _____

List of Attachments:

1.

2.

3.

4.

5.

6.

7.

8.

Start Date: _____

Completion Date: _____

Milestone Dates: _____

Required Deliverables:

1.

2.

3.

4.

5.

6.

Duquesne Light Company Contact Person: _____

Other: _____

ACCEPTED AND AGREED:

DUQUESNE LIGHT COMPANY

CONTRACTOR

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT B

GENERAL TERMS AND CONDITIONS - ENVIRONMENTAL SERVICES

GENERAL TERMS AND CONDITIONS ENVIRONMENTAL SERVICES

1.0 DEFINITIONS

When capitalized in the Purchase Agreement, the following words or phrases shall have the meaning specified:

Acceptance:	Shall have the meaning specified in Article 2.0, Acceptance.
Buyer:	Shall mean Duquesne Light Company.
Buyer's Site:	Shall mean the location where the Work shall be performed or any other location as identified in the Purchase Agreement.
Delivery:	Shall have the meaning specified in Article 3.0, Delivery and Title.
Hazardous Substance:	Shall mean solid, liquid or gaseous substances or materials used, generated, produced, stored or supplied that are classified as a "toxic substance", "hazardous substance", "extremely hazardous substance", "acutely hazardous waste", "hazardous waste", "asbestos", "polychlorinated biphenyls (PCBs)", "residual waste" or any other terms for substances or materials subject to federal, state or local regulations in effect from time to time.
Price:	Shall mean the price or prices stated in the Purchase Agreement.
Purchase Agreement:	Shall mean Buyer's Purchase Order(s), General Terms and Conditions, Supplemental Terms and Conditions, Specifications, Drawings, Change Order Notice(s) and such other documentation as shall be specified in the Purchase Order.
Seller:	Shall mean the successful bidder.
Services:	Shall mean design, engineering, installation, testing, evaluation, training, maintenance, repair, management, consulting, transportation, disposal, remediation, storage, recycling and any other services necessary to fulfill Seller's obligations under the Purchase Agreement.
Subcontractor:	Shall mean vendors, suppliers and subcontractors of any tier and any other persons or entities contracting directly or indirectly with Seller for the performance of the Work under the Purchase Agreement.
Work:	Shall mean Services and Work Product.
Work Product:	Shall mean studies, reports, evaluations, designs, drawings, procedures, specifications, plans and all other documentation and deliverables which are produced or acquired by Seller for or at the direction of Buyer.

2.0 ACCEPTANCE

Seller shall notify Buyer when, in its opinion, the Work is completed. Buyer shall inspect the Work and notify Seller in writing that (1) the Work is satisfactory and is acceptable to Buyer or (2) the Work or parts thereof do not conform to the Purchase Agreement. Seller shall promptly correct all nonconforming Work at its sole expense. Acceptance or payment by Buyer shall not waive any of Buyer's rights and remedies or relieve Seller from any of Seller's duties and obligations.

3.0 DELIVERY AND TITLE

Delivery of all Work supplied to Buyer shall be made F.O.B. Buyer's Site during Buyer's normal receiving hours. Title and risk of loss or damage to all Work supplied to Buyer under the Purchase Agreement shall pass to Buyer upon Acceptance.

If the Services include the transportation, removal, disposal, storage or collection of Hazardous Substances by Seller, delivery of and title and risk of loss or damage to the Hazardous Substances shall be made or shall pass to Seller upon physical possession by Seller.

4.0 PAYMENT

Buyer shall pay undisputed invoices within thirty (30) days of Acceptance of the Work. If any portion of the Work does not conform to the requirements of the Purchase Agreement upon inspection by Buyer, a corresponding portion of the Price may be withheld by Buyer until the nonconformity is corrected.

5.0 WARRANTIES

Seller represents, warrants and guarantees that any Work provided under the Purchase Agreement shall be: (1) provided in accordance with the requirements of the Purchase Agreement; (2) provided in a skillful, workmanlike and professional manner and consistent with generally accepted industry practices and procedures in Seller's particular area of expertise; and (3) merchantable and suitable for the purposes intended by Buyer.

If within a period of one (1) year after the date of Acceptance the Work shall fail to conform to this warranty, Buyer, at its option, shall have the following remedies:

- (1) Require Seller to promptly repair, replace or reperform the Work at Seller's expense.
- (2) Have the Work promptly repaired, replaced or reperformed by Buyer or a third party at Seller's expense.
- (3) Accept the Work as provided and adjust the Price by the amount of the cost of correcting the nonconformity or, at Buyer's option, the amount by which the value of the Work is diminished from the value of conforming Work.
- (4) Return the Work Product and receive a proportionate refund of the Price.

The above remedies shall be available in addition to all other remedies available at law or in equity and all remedies shall be cumulative and nonexclusive.

The warranty period shall be extended by the amount of time during which the Work is nonconforming.

6.0 INDEMNIFICATION

Seller shall defend, indemnify and hold harmless Buyer from and against and shall pay all losses, damages, liabilities, penalties, fines, assessments, claims and actions, and all related expenses (including reasonable consultants' and attorneys' fees and expenses and the actual costs of litigation) by reason of injury or death to any person, damage to any property or any other occurrence, including but not limited to, pollution or other environmental degradation, arising or resulting from performance of the Work, except to the extent that such loss, damage, liability, penalty, fine, assessment, claim or action is attributable to the sole negligence of Buyer.

Seller shall notify Buyer of all losses, damages, liabilities, penalties, fines, assessments, claims and actions for which Seller may have an indemnification obligation under the Purchase Agreement. Buyer shall have the right, but not the obligation, in its sole discretion, to participate in the defense to the extent Buyer deems necessary to protect its interests.

7.0 INTELLECTUAL PROPERTY INDEMNIFICATION

Seller shall defend, indemnify and hold harmless Buyer from and against and shall pay all losses, damages, liabilities, claims and actions, and all related expenses (including reasonable attorneys' fees and expenses and the actual costs of litigation) based on an allegation that any Work or parts thereof infringe or misappropriate the rights of others, and if their use by Buyer is enjoined, Seller shall, at Buyer's option and Seller's expense, either: (1) procure for Buyer the right to continue using the Work or parts thereof; (2) replace the same with substantially equivalent Work or parts thereof that do not infringe or misappropriate the rights of others; (3) modify the same so they no longer infringe or misappropriate the rights of others or (4) refund the Price and the transportation costs to Buyer.

Seller shall obtain from all Subcontractors similar indemnity protection for Buyer.

8.0 LIENS

Seller shall not file and shall take all actions necessary to prevent any Subcontractors from filing any liens against Buyer or its property, including Buyer's Site. In addition, Seller shall defend, indemnify and hold harmless Buyer and any of its property, including Buyer's Site, from all demands, liabilities and liens which may arise in favor of Seller or any Subcontractors, and from all damages, costs and expenses (including reasonable attorneys' fees and expenses and the actual costs of litigation) resulting from such demands, liabilities or liens. If requested by Buyer, Seller shall execute Buyer's Stipulation Against Liens Agreement and shall file it in the appropriate governmental offices.

9.0 CONSEQUENTIAL DAMAGES

In no event shall Buyer be liable for any indirect, incidental or consequential damages including, but not limited to, loss of anticipated profits or revenue, loss of use of equipment or facilities, or damages resulting from pollution or environmental impairment.

10.0 CHANGES

Buyer may at any time by a written Change Order Notice make changes within the general scope of the Purchase Agreement. If any change results in a material increase or decrease in the cost of the Work or otherwise materially affects the Purchase Agreement, the Change Order Notice shall include an equitable adjustment in the Price, the schedule and/or any other affected provision. Any objection by Seller to the proposed equitable adjustment must be asserted within seven (7) business days after receipt of the Change Order Notice. Notwithstanding such objection, if directed by Buyer, Seller shall proceed with the change. Any dispute hereunder shall be resolved pursuant to Article 13.0. Disputes.

11.0 SUSPENSION OR INTERRUPTION OF WORK

Buyer may direct Seller, in writing, to suspend or interrupt all or any part of the Work for such period of time as Buyer may determine to be appropriate. Seller shall mitigate the costs of such suspension or interruption. Buyer agrees to reimburse Seller for those expenses necessarily incurred directly as a result of such suspension or interruption, subject to Buyer's right to audit Seller's books and records. Seller shall account for all Hazardous Substances in transit or in Seller's or any Subcontractor's possession at the time of the suspension or interruption. Such Hazardous Substances shall be disposed of by Seller as directed by Buyer.

12.0 TERMINATION

Buyer may terminate all or part of the Purchase Agreement if Seller abandons the Work, becomes bankrupt or insolvent, is unable to obtain a bond, if required, assigns the Purchase Agreement or subcontracts the Work or any of its parts without Buyer's consent or otherwise fails to comply with the Purchase Agreement; provided, however, that prior to such termination Buyer must have notified Seller in writing of its intent to terminate the Purchase Agreement and the reasons therefor, and Seller must have failed to cure such noncompliance within ten (10) days after receipt of notice or such shorter period as specified in the notice. If Buyer terminates for cause, Buyer may complete or contract with a third party to complete all or part of the Work, and Seller shall be liable to Buyer for the excess costs to complete all or such part of the Work and any other damages resulting from Seller's noncompliance.

Buyer may also terminate upon thirty (30) days' prior written notice all or part of the Purchase Agreement without cause. Upon receipt of notice, Seller shall bring the Work to a prompt conclusion within the thirty (30) day period. Buyer shall pay Seller a proportionate amount of the Price due to Seller for Work completed up to the effective date of termination plus costs necessarily incurred directly as a result of the termination, subject to Buyer's right to audit Seller's books and records.

In all cases Buyer may require Seller to transfer title and deliver to Buyer any contracts, rights and Work produced or acquired by Seller for the performance of the Purchase Agreement. Seller shall account for all Hazardous Substances in transit or in Seller's or any Subcontractor's possession at the time of suspension or interruption. Such Hazardous Substances shall be disposed of by Seller as directed by Buyer.

13.0 DISPUTES

Unless Buyer terminates the Purchase Agreement pursuant to the provisions of Article 12.0, the parties shall use good faith efforts to resolve any dispute under the Purchase Agreement. If a resolution is not agreed upon, the parties shall promptly and diligently pursue alternative dispute resolution (ADR) techniques in an effort to achieve an early and equitable settlement of any dispute without resorting to litigation. If either party believes that the ADR techniques are not leading to a satisfactory resolution of the dispute and upon ten (10) days' prior written notice, such party may proceed with such alternatives as may be available including litigation. During the pendency of any dispute, Seller shall take such action with respect to the Work as Buyer, in its sole discretion, shall direct.

14.0 CONFLICTS, ERRORS AND OMISSIONS

In the event Seller or Buyer becomes aware of any conflict, error or omission in the documents comprising the Purchase Agreement, such party shall bring the discrepancy to the attention of the other party. Such discrepancy shall be resolved by Buyer in its sole discretion.

15.0 INSPECTIONS AND TESTS

Buyer may inspect the progress of the Work, including Work performed at Seller's facilities, to insure regulatory compliance or for any other purpose. If the Purchase Agreement, laws, ordinances, rules, regulations or orders of any public authority require any portion of the Work to be inspected, tested or approved, Seller shall give Buyer reasonable notice to permit Buyer to observe such inspection, testing or approval. Seller shall provide to and obtain for Buyer reasonable access to Seller's facilities and those of Seller's Subcontractors and shall provide periodic status reports during the course of the Work.

16.0 JOB COST ACCOUNTS AND INFORMATION, AUDITS

Seller shall maintain detailed separate cost data for each Purchase Order in accordance with generally accepted accounting principles. Seller's records pertaining to the cost of the Work (other than fixed Prices agreed to prior to performance of the Work) and Seller's applicable tax records shall be open at all reasonable times for inspection or audit by Buyer or its representative(s). Buyer and its Subcontractors, its representative(s) shall at reasonable times have access to the premises, materials, instructions,

working papers, plans, drawings, specifications, memoranda and other information of Seller pertaining to the Work including those related to regulatory compliance. All Seller's purchase orders or contracts with Subcontractors shall provide that Buyer or its representative(s) shall have similar inspection, audit and access rights. Buyer's rights under this Article shall terminate five (5) years after expiration of the warranty period.

17.0 INSURANCE

A. Seller represents that it now carries, and agrees it will continue during the term of the Purchase Agreement to carry, as a minimum, Workers' Compensation, Comprehensive General and Contractual Liability and Comprehensive Automobile Liability Insurance with carriers reasonably satisfactory to Buyer in the following amounts:

		<u>Limits</u>
(1)	Workers' Compensation Employer's Liability	Statutory \$500,000
(2)	Comprehensive General Liability or Commercial General Liability (Public Liability) including:	
a.	Bodily Injury and Property Damage	Combined Single Limit \$1,000,000 Per Occurrence \$2,000,000 Policy Aggregate
b.	Blanket Contractual	Included
c.	Products and Completed Operations Hazard	Included
d.	Broad Form Property Damage	Included

If any of the Work performed under the Purchase Agreement includes:

1. blasting, 2. excavating, pile driving or caisson work, 3. moving, shoring, under-pinning, razing or demolition of any structure or removal or rebuilding of any structural support thereof, or any subsurface or underground work, the Comprehensive General Liability Insurance policy shall include coverage for the explosion, collapse and underground hazards.

(3) Automobile Liability Insurance (owned, hired and non-owned):

		<u>Limits</u>
	Bodily Injury and Property Damage	Combined Single Limit \$1,000,000 Per Occurrence
(4)	Environmental Consulting Liability	\$5,000,000 Per Occurrence
(5)	Contractor's Pollution Legal Liability	\$5,000,000 Per Occurrence \$10,000,000 Policy Aggregate
(6)	Excess Umbrella Liability	\$3,000,000 Single Limit

If asbestos abatement is included, the following coverage is required:

(7)	Asbestos Removal Liability	Combined Single Limit 2,000,000 Per Occurrence
-----	----------------------------	---

B. Seller and its Subcontractors may carry and maintain at their own cost and expense All Risk Coverage Insurance on the machinery, tools, equipment and clothing belonging to them.

C. Seller shall furnish to Buyer and update for the duration of the Work a certificate of insurance for the foregoing coverages, which shall include the following:

- (1) Name of insurance company which must be best A-rated or above, policy number and expiration date;
- (2) The coverages required whether claims made or occurrence, and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of Seller);
- (3) A statement that Buyer shall receive thirty (30) days prior notice of cancellation or modification of any of the policies, which may affect Buyer's interest;
- (4) A statement that Buyer has been named an additional insured (except for Workers' Compensation) on all policies; and
- (5) If a vehicle is carrying Buyer's Hazardous Substance, the certificate must show that the vehicle is insured for limits specified in the Motor Carrier Act of 1980, as amended and provide evidence of MCS 90 Endorsement.

D. Seller and any of its Subcontractors shall waive any rights of subrogation which they or their insurers may have against Buyer, its agents or its employees.

E. Seller shall not permit any Subcontractors to enter upon Buyer's Site or proceed with the performance of its subcontract unless such Subcontractor shall have complied with Buyer's insurance requirements.

F. Seller agrees to reduce equitably the Price should Buyer, at its sole option, choose to provide a Wrap-up/Buyer Controlled Insurance Program to protect the Work.

G. Seller is required to comply with any and all other federal, state, local and/or site-specific insurance requirements. Buyer does not represent that it has identified all applicable insurance requirements.

18.0 TAXES

Buyer shall provide to Seller upon Seller's request a tax exemption certificate for all taxes which become due under Pennsylvania sales and use tax laws, except for taxes that Seller is required to pay under such laws. Upon Buyer's request, Seller shall provide evidence satisfactory to Buyer of the payment of any taxes which Seller is required to pay. Seller shall assume and pay all other taxes. Seller shall provide to Buyer such additional information as Buyer may request to facilitate the determination of taxes for which Buyer is responsible.

19.0 CONFIDENTIAL/PROPRIETARY INFORMATION

Seller agrees to treat as confidential and proprietary any of Buyer's information which is not generally known to the public and to exercise the same care to prevent the disclosure of such information as Seller exercises to prevent disclosure of its own proprietary and confidential information; however, Seller may disclose such information as required by law. Buyer's information shall be utilized by Seller only in connection with performance of its obligations under the Purchase Agreement.

20.0 PUBLICITY

Seller shall not use Buyer's name nor issue any publicity releases, including but not limited to, news releases, advertising, technical publications or responses to media inquiries relating to the Purchase Agreement without the prior written consent of Buyer.

21.0 FORCE MAJEURE

Neither party shall be liable for any failure or delay in performing its obligations hereunder, or for any loss or damage resulting therefrom, due to causes beyond its reasonable control, including but not limited to, acts of God, public enemy or government, riots, fires, natural catastrophes, strikes or epidemics. In the event of such failure or delay, the date of Delivery or performance shall be extended for a period not to exceed the time lost by reason of the failure or delay, provided that Buyer may terminate the Purchase Agreement if the period of failure or delay exceeds fifteen (15) days. Buyer shall have no obligation to make any payments to Seller during the period of failure or delay. Each party shall notify the other promptly of any failure or delay in, and the effect on, its performance.

22.0 ASSIGNMENT

Seller shall not assign the Purchase Agreement, in whole or in part, nor contract with any Subcontractor for the performance of the same or any of its parts, without first obtaining Buyer's written consent. Buyer's consent shall not be construed as discharging or releasing Seller in any way from the performance of the Work or the fulfillment of any obligation under the Purchase Agreement.

23.0 WORK BY BUYER OR BY SEPARATE CONTRACTOR

Buyer may perform work related to the Work with its own forces or through separate purchase agreements with other contractors. In such instances, Buyer reserves the right to coordinate the Work with the work of its forces and the other contractors.

24.0 VERIFICATION OF CONDITIONS AT BUYER'S SITE

Seller shall perform a thorough inspection of Buyer's Site for the purpose of verifying any condition that may affect the Work, such as possible errors in work previously performed by others and difficulties that may be encountered in the performance of the Work for any reason.

When the proper performance of any part of the Work depends upon other work, whether performed by Seller or others, Seller shall verify all necessary dimensions, measurements and equipment that may affect the Work.

25.0 PROTECTION OF PROPERTY AND PERSONS

Seller shall take all necessary precautions during the progress of the Work to protect all persons and the property of Buyer and others from injury, loss or damage including, without limiting Seller's duties, any precautions directed by Buyer. Seller shall assume full responsibility for all tools, equipment and materials to be used in connection with the Work.

26.0 ENVIRONMENTAL COMPLIANCE

- A. Seller and Subcontractors shall comply with, and shall not jeopardize Buyer's compliance with or affect Buyer's methods of compliance with, all applicable federal, state and local laws, ordinances, codes, regulations and permits (collectively, Laws) relating to safety and the protection of the environment including the use, storage, handling, protection, transportation and disposal of all Hazardous Substances. The Work shall be in compliance with all Laws on the date of Acceptance. Seller shall advise Buyer of any applicable changes or potential changes in the Laws known to Seller which will or may become effective subsequent to the date of Acceptance.
- B. Prior to commencement of the Work, Seller shall identify the waste characteristics and quantities of all wastes anticipated to be generated during performance of the Work. Seller shall also determine the classification of any unanticipated by-product or residue materials according to applicable Laws and advise Buyer of the outcome of such determination. If Seller is required to comply with any manifest requirements, it shall submit a copy of such manifest to Buyer for approval prior to transportation or disposal.
- C. Prior to commencement of any Work, Seller shall provide to Buyer a list of all Hazardous Substances that may be used or generated in connection with the Work. Seller and Subcontractors shall use source reduction strategies, such as substitution of less hazardous materials, best management practices and recycling, to minimize waste production. Seller shall request Buyer to provide information concerning the Hazardous Substances to which Seller or Subcontractors may be exposed.
- D. If Seller provides Work to be used by another vendor in the performance of work for Buyer, the Work shall specify that such vendor shall comply with the requirements of all present and future applicable changes in the Laws.
- E. Seller and Subcontractors shall not damage or degrade the environment during the performance of the Work and shall perform all reporting/control/clean-up measures directed by Buyer in the event of such damage or degradation.
- F. Seller's and Subcontractor's activities shall not encroach upon any environmentally sensitive areas including wetlands, wet areas, riverine areas or stream crossings, unless conducted in compliance with all Laws and Buyer is provided with prior written notice.
- G. All Seller's purchase orders or contracts with Subcontractors shall require Subcontractors to comply with the provisions of this Article 26.0, Environmental Compliance.

27.0 PREMISES

Seller shall confine its facilities, materials, tools and equipment on Buyer's Site in areas specified by Buyer for that purpose. Seller shall during the progress of the Work and upon completion of the Work, clean up and remove from Buyer's Site and from the adjoining premises, driveways and streets all waste materials, rubbish, tools and machinery, and leave Buyer's Site and adjoining premises, driveways and streets free and clear from all obstructions and restore Buyer's Site to the condition in which it was prior to commencement of the Work or as directed by Buyer.

28.0 APPROVAL OF PLANS, SPECIFICATIONS AND SCHEDULES

Seller shall develop and submit for review and approval by Buyer any procedures, checklists, drawings, specifications and other documentation requested by Buyer to verify that the Work conforms to the Purchase Agreement. Seller shall not proceed with any part of the Work which requires prior approval by Buyer until such approval has been obtained.

29.0 KEY PERSONNEL

The Work shall be performed by Seller's key personnel if named in the Purchase Agreement, and no other person shall be substituted without the prior written approval of Buyer. Seller shall replace any of its key personnel to whom Buyer reasonably objects, and any replacement shall be subject to the prior written approval of Buyer.

30.0 BONDS

At Buyer's request, Seller shall furnish performance bonds covering the faithful performance of the Purchase Agreement and labor and material payment bonds covering the payment of all obligations arising under and as required by the Purchase Agreement.

31.0 PERFORMANCE OF SELLER'S OBLIGATIONS

If Seller fails to comply with any of its obligations under the Purchase Agreement, Buyer may, at its option, without affecting Seller's obligations under the Purchase Agreement or Buyer's rights under the Article 12.0, Termination, perform or contract with a third party to perform all or any of such obligations, and Seller shall be liable to Buyer for the costs of performing such obligations and any other damages resulting from Seller's failure to comply.

32.0 CONFLICTS OF INTEREST

Seller shall not perform work for others or have any other interest that directly or indirectly conflicts with the interests of the Buyer. By entering into the Purchase Agreement with the Buyer, Seller represents that it presently has no such conflicting interest. Seller shall notify the Buyer promptly upon learning of any conflicting interests. In the event of any conflict of interest, Buyer may terminate the Purchase Agreement without any further obligation to Seller and will be entitled to recover from Seller all damages and expenses incurred by the Buyer as a result of such conflicting interest.

33.0 MBE/WBE

It is the policy of Buyer to stimulate the growth of Certified Minority and Women Business Enterprises (MBEs and WBEs) by encouraging their participation in Buyer's procurement activities and by affording them an equal opportunity to compete for Buyer's procurements. Seller agrees to carry out this policy to the fullest extent consistent with the requirements of the Purchase Agreement (1) through the award of subcontracts to MBEs and WBEs or (2) if Seller is a MBE or WBE, through the use of its own forces. Seller shall include this policy as a provision in all subcontracts.

34.0 NOTICES

Any notice required under the Purchase Agreement shall be in writing and sent to the Seller and Buyer at their respective addresses identified on the Purchase Order.

35.0 INDEPENDENT CONTRACTOR

Seller shall operate as an independent contractor in the performance of the Purchase Agreement and not as an agent or employee of Buyer. Seller shall ensure that neither it nor its agents or employees shall act or hold themselves out as agents or employees of Buyer. Seller shall have complete control of its agents and employees engaged in the performance of the Work.

36.0 PRIORITY OF DOCUMENTS

In the event of conflict among the various documents of the Purchase Agreement, the conflict shall be resolved according to the priority given to the documents in the Purchase Order(s). If no priority is indicated in the Purchase Order(s), the conflict shall be resolved according to Article 14.0, Conflicts, Errors and Omissions.

37.0 SEVERABILITY

If any provision(s) of the Purchase Agreement is found by a court of competent jurisdiction to be illegal or otherwise unenforceable, that finding shall not invalidate the whole Purchase Agreement and the remaining provisions shall remain in full force and effect.

38.0 SURVIVAL

The obligations and rights of the parties pursuant to the Assignment, Liens, Warranties, Confidential/Proprietary Information, Intellectual Property Indemnification, Indemnification, Job Cost Accounts and Information, Audits, Publicity, Termination, Consequential Damages, Environmental Compliance and Premises Articles shall survive the expiration or early termination of the Purchase Agreement.

39.0 LAWS, CODES, RULES, REGULATIONS

Seller and its Subcontractors at their own expense shall obtain all necessary licenses and permits and shall otherwise comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules and regulations relating to performance of the Work including, but not limited to, safety, environment, labor standards and workers' compensation.

Seller and its Subcontractors shall also comply with the following clauses incorporated by reference into the Purchase Agreement: Equal Opportunity Clause, 41 CFR 60-1.4; Affirmative Action for Disabled Veterans and Veterans of Vietnam Era, 41 CFR 60-250.4; and Affirmative Action for Handicapped Workers, 41 CFR 60-741.4.

Seller and its Subcontractors shall also comply with Buyer's policies, rules and procedures.

40.0 GOVERNING LAW/JURISDICTION

The Purchase Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania. Any litigation shall be filed and pursued in either state or federal court in Pittsburgh, Pennsylvania.

41.0 ENTIRE AGREEMENT

The Purchase Agreement contains the entire agreement between the parties with respect to the subject matter and supersedes any and all prior oral or written agreements.

EXHIBIT C

SUPPLEMENTAL TERMS AND CONDITIONS

**SUPPLEMENTAL TERMS AND CONDITIONS
DUQUESNE LIGHT COMPANY**

The Articles below supersede like Articles, amend or are in addition to, the Duquesne Light Company General Terms and Conditions for Environmental Services.

Except as modified below, the above-mentioned General Terms and Conditions remain in full force and effect.

- The following shall be added to the first paragraph of existing Article 5.0 governing Warranties:

Seller further represents and warrants to the following:

- A. Performance: Time of Essence. Seller shall perform all Work in strict compliance with the requirements and schedules set forth (as defined at time of task assignment), contemplated by or arising from this Purchase Agreement and the applicable Purchase Order. Compliance with schedule deadlines is essential. Time is of the essence to all Work performed hereunder. If Seller is behind schedule, Seller shall, without additional cost to Buyer, work overtime, utilize additional equipment and take such other acts as are necessary to complete the Work on schedule. To the extent applicable, Seller acknowledges and agrees that the timing of the performance of Work may be dictated by the terms of a regulation, an order of court, consent order or judicial decree or an order or directive of a government regulatory authority (collectively, "Orders"), and Seller agrees to obtain copies of such Orders, and to comply with all deadlines and/or other schedule requirements set forth therein. Furthermore, Seller acknowledges and agrees that Buyer is relying upon Seller's unique abilities in the performance of this Purchase Agreement to satisfy certain permitting and licensing requirements of a government regulatory agency and that failure by Seller to properly or timely perform hereunder may cause Buyer to incur substantial fines and penalties. Additionally, in the event that Seller fails to properly perform hereunder, Buyer may be required to cease using its on-site residual waste management facilities and incur additional costs for transportation and disposal of such residual waste materials at a third party disposal site. Seller agrees to be responsible, to the dollar value of the

contract, for any such fines, penalties, costs and expenses incurred by Buyer as a result of Seller's failure to properly or timely perform its obligations hereunder.

- B. Standard of Care. Seller warrants that all Work performed hereunder shall be (i) conducted in a manner consistent with the highest generally accepted level of care and skill ordinarily exercised by professionals performing services of a similar nature, taking into account standards, state-of-the-art, laws and requirements existing at the time the Work is performed; (ii) performed safely, lawfully, thoroughly, efficiently and properly; (iii) conducted in strict conformity with the requirements of the Purchase Agreement; and (iv) free from defects in material, workmanship, design or engineering. Seller warrants that any equipment used shall be safe and in proper order.
- C. Hazardous and Toxic Materials. Seller understands and accepts the currently known and potentially hazardous risks which are presented to human beings, property and the environment by potentially hazardous substances at or near Buyer's Site and agrees to inform its officers, employees, agents, subcontractors and vendors of such risks.
- D. Environmental Records/Waste Manifests. To the extent the Work performed includes laboratory, sampling or field work of any kind, Seller shall maintain complete records of chain of custody and control of all hazardous and/or waste materials handled, transported and/or disposed of as a result of Seller's activities under this Purchase Agreement and Seller shall deliver all such records to Buyer in accordance with instructions from Buyer. Seller shall have no authority to sign waste manifests for any materials removed from Buyer's Site.
- E. Reports. Seller shall furnish to Buyer such reports regarding the progress and cost of performance of the Work as Buyer reasonably requests.
- F. Knowledge of Existing Conditions and Applicable Laws. Seller understands and acknowledges that the Work performed hereunder involves hazardous or toxic substance(s)/waste(s) and laws, regulations and government agency policy and guidance documents related thereto. Seller represents and warrants that it is technically, physically, financially and legally ready, willing and able to perform the Work hereunder and that it is familiar with and knowledgeable about the applicable laws, regulations and government agency policy and guidance documents to the extent necessary to carry out its duties in a professional, complete and competent manner.

- G. Compliance with Governmental Orders. Seller expressly acknowledges, agrees and warrants to comply fully with the terms of any Orders pursuant to which Buyer is contracting for Seller's Work hereunder or which are otherwise applicable to Buyer, Seller or the Work, including without limitation, the terms of any Order referred to on the face of the Purchase Order. The Buyer shall notify Seller of applicable Orders which are site specific and solely received by Seller.
- H. Quality Assurance and Control. Any condition threatening to adversely affect quality assurance and control of the Work and its performance hereunder shall be immediately brought to the attention of Buyer. Additionally, Seller will immediately notify Buyer if it becomes aware of any pending or threatened governmental or third party action relating to (i) the Work performed hereunder; (ii) the status of any of Buyer's permits or licenses related to Buyer's Site or the Work; or (iii) a violation or alleged violation of any Laws (as defined in Article 26.0 hereof) or Orders.
- I. Training and Qualifications. Seller represents, covenants and warrants that it has the requisite personnel, competence, skill and physical resources to perform the Work required hereunder and that it has and shall maintain the capability, experience and registrations required to perform the scope of Work herein. Additionally, Seller shall ensure that each task of the Work is adequately staffed with persons with the appropriate level of experience and expertise to perform that task. Only full-time regular employees of Seller shall be assigned to the performance of Work hereunder unless prior written approval is obtained from Buyer. Persons listed in Seller's bid response shall be available at all times to perform Work hereunder. Buyer reserves the right to specify both levels of staffing and expertise and particular individuals for the performance of Work hereunder.

- **The following shall replace the first paragraph of existing Article 6.0 governing Indemnification:**

Seller shall be solely responsible for and shall indemnify, defend and hold harmless Buyer, its directors, officers, employees and agents from and against any and all claims, actions, suits, demands, damages, losses, fines, penalties (including without limitation, any stipulated or other penalty or fine pursuant to any applicable order or decree or otherwise imposed by a governmental regulatory authority) assessments, costs (including without limitation, increased costs of transportation and disposal of residual waste materials if Buyer is unable to make use of its on-site landfill facilities), expenses (including without limitation, expenses of investigation or remediation) loss of use of property, and all other liabilities whatsoever, including reasonable consultants' and attorneys' fees and expenses and the actual costs of litigation, for or on account of loss of or damage in any way sustained directly or indirectly by Buyer, including, but not limited to, injury or death to any person,

damage to any property or any other occurrence, including, but not limited to, pollution and environmental degradation, to the extent, arising or resulting from or by reason of or in connection with (A) the breach of this Purchase Agreement or any express or implied warranty by Seller under this Purchase Agreement; (B) any defects in the Work pursuant to Seller's warranties and obligations hereunder; (C) the performance of the Work, including but not limited to the use of any equipment or material furnished by Buyer, except to the extent such claims, suits, damages, losses and liabilities are based upon or result from the negligence of Buyer or any of their employees or agents; (D) the release of any hazardous substances, wastes, toxic materials, pollutants, contaminants or other regulated materials caused or exacerbated by Seller; (E) any claims for personal injury or death made by or on behalf of Seller's employees, arising out of any accident occurring while such employees are on the premises of Buyer, including, but not limited to Buyer's Site, except to the extent of any negligence on the part of Buyer; or (F) any other cause except to the extent attributable to the negligence of Buyer, its employees or agents.

Article 14.0 governing Conflicts, Errors and Omissions shall be deleted in its entirety.

- **The following shall be added to existing Article 15.0 governing Inspections and Tests:**

The failure of Buyer's representatives to make inspections or tests or to discover defective Work shall not prejudice any of Buyer's rights under this Purchase Agreement or at law.

- **Article 17.0 governing insurance shall be modified as follows:**

The limits of Environmental Consulting Liability shall be reduced from \$5,000,000 per occurrence to \$3,000,000 per occurrence, \$3,000,000 aggregate.

The limits for Contractors Pollution Legal Liability shall be reduced from \$5,000,000 per occurrence to \$3,000,000 per occurrence, \$3,000,000 aggregate.

Seller shall not be required to name Buyer as additional insured under its Environmental Consulting Liability policy.

- **The following shall replace existing Article 19.0 governing Confidential/Proprietary Information:**

Seller shall keep secret and confidential, shall not disclose to any third parties and shall not use any information concerning the Purchase Agreement, Buyer's Site or the Work (herein "Confidential Information"). Included within the class of information which is designated as Confidential Information is all environmental information, data, technical papers, analyses, studies, compilations, summaries and other

documents and materials provided by Buyer or prepared or developed by Seller in performing Work hereunder (including, without limitation, information relating to the chemical composition, quantity or quality of substances, pollutants or contaminants located on the Buyer's site). Only those employees of Seller who must have knowledge of Confidential Information in order to properly conduct the Work shall be permitted by Seller to have access to Confidential Information. Seller shall prevent any of its employees who are permitted to have access to Confidential Information from disclosing it or using it except as authorized under the Purchase Agreement and shall inform such employees of the need of Buyer to keep Confidential Information secret and if requested shall require its employees to execute secrecy agreements in a form reasonably acceptable to Buyer. Seller shall turn over to Buyer any and all documents or other writings or recorded matter of any kind embodying Confidential Information relating to the Purchase Agreement, Buyer's Site or the Work. Seller shall not copy or reproduce in whole or in part any such writings or recorded matter without the prior written consent of Buyer, except that Seller may retain one copy of these documents for its files. This provision shall not apply to Confidential Information which at the time of its disclosure is already in the public domain, or to Confidential Information which was acquired by Seller independently from third parties not under any obligation to Buyer to keep such information confidential.

If Seller receives a request under the terms of a subpoena or any other order issued by any court or by a government agency to disclose all or any part of any Confidential Information, Seller shall: (A) promptly notify Buyer of the existence, terms and circumstances surrounding such a request; (B) consult with Buyer on the advisability of taking steps to resist or narrow that request; (C) if disclosure of such material is required, furnish only such portion of such material as the Seller is advised by counsel is legally required to be disclosed; and (D) cooperate with Buyer in its efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to that portion of such material that is required to be disclosed.

- **The following language shall be added to existing Article 23.0 governing Work by Buyer or by Separate Contractor:**

Seller shall cooperate fully with Buyer and other contractors and plan and perform the Work in such a manner so as not to interfere with the activities or operations of Buyer and other contractors working at Buyer's Site. Buyer will establish priorities and, at the request of contractors, resolve interference. No extra compensation will be allowed due to interference between contractors.

- **The following language shall be added to existing Article 25.0 governing Protection of Property and Persons:**

Seller represents and warrants that it is fully qualified and knowledgeable with respect to all health and safety requirements relating to the Work and that as an

independent contractor, Seller will be solely responsible for compliance with those requirements. Seller shall be responsible for compliance by itself, its Subcontractors and the employees of both, with all site protection and safety rules and regulations of Buyer.

• **The following shall be added to existing Article 26.0 governing Environmental Compliance:**

H. To the fullest extent permitted by law, Seller shall indemnify, save, defend and hold harmless Buyer, its parents and affiliates, and all of their officers, directors, employees and agents, from and against any required payment of any stipulated or other penalty or fine pursuant to any applicable Laws or Orders, or legal instrument or process of any court, agency or other governmental entity, which arises out of Seller's negligence or any failure of Seller to perform in accordance with the provisions of this Purchase Agreement. The amount of any such penalty or fine (as well as Buyer's expenses related thereto) may, at Buyer's election, be deducted from any amount due and owing to Seller under this Purchase Agreement.

I. To the extent that the Work performed include laboratory, sampling or field work of any kind, Seller shall remove, transport, retain and dispose of all samples and specimens from Buyer's Site using due care in accordance with all Laws and Orders. Seller agrees to indemnify, save harmless and defend Buyer, its parents and affiliates, and all of their officers, directors, employees and agents from and against any and all liabilities, claims, penalties, forfeitures, suits and the costs and expenses incident thereto (including cost of defense, settlement and reasonable attorney's fees), which they may hereafter incur, be responsible for or pay out as a result of bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment, or any violation or alleged violation of Laws or Orders, caused, in whole or in part, by any act or omission of Seller, during the time that samples or specimens are being handled, transported, retained or disposed of by Seller.

• **The following shall be added to existing Article 27.0 governing Premises:**

Buyer may clean and remove debris and waste material from Buyer's Site and charge the cost thereof to Seller, if, in the sole discretion of Buyer, Seller fails to abide by its obligations set forth in this Article.

• The following shall be added to existing Article 28.0 governing Approval of Plans, Specifications and Schedules:

Within a reasonable time after receipt thereof, Buyer shall review such drawings and documents and inform Seller whether or not the same are approved. In order for Buyer to meet the time requirements for the review and approval of the drawings and documents as set forth herein, Seller shall submit such drawings and documents in a properly sequenced manner, and Seller shall not submit an unreasonably large number of such drawings and documents at any one time. In case Buyer should inform Seller that any of the drawings and documents are not approved, Seller shall correct any such drawings and documents in order to comply with the Purchase Agreement.

Seller shall also submit to Buyer, prior to final acceptance of the Work, all of the final design and engineering data and drawings, and including, but not limited to, to the extent applicable, parts lists, calculations, operational information, design drawings, mechanical drawings and engineering data.

Neither approval by Buyer of any drawings or documents, nor failure by Buyer to undertake any such review, shall constitute a waiver of, or relief from, Seller's obligations to comply with the requirements of the Purchase Agreement.

• The following shall be added to existing Article 36.0 governing Priority of Documents:

SELLER'S PROPOSAL SHALL NOT BE DEEMED TO BE A PART OF THIS PURCHASE AGREEMENT EXCEPT AND ONLY TO THE EXTENT SPECIFICALLY SO STATED ON THE FACE OF THE PURCHASE ORDER. IN THE EVENT THAT SELLER'S PROPOSAL OR ANY OTHER DOCUMENT PREPARED OR SUBMITTED BY SELLER IS LISTED ON THE FACE OF THE PURCHASE ORDER AS A PART OF THIS PURCHASE AGREEMENT, ONLY THOSE PORTIONS OF SUCH PROPOSAL OR DOCUMENT WHICH CONSTITUTE WARRANTIES, TECHNICAL INFORMATION, SPECIFICATIONS OR DRAWINGS SHALL BE DEEMED INCORPORATED HEREIN, AND IN NO EVENT SHALL ANY OTHER CONTRACT TERMS OR CONDITIONS CONTAINED THEREIN BE DEEMED A PART OF THIS PURCHASE AGREEMENT. IN NO EVENT SHALL PREPRINTED TERMS OR CONDITIONS FOUND ON ANY SELLER PURCHASE ORDER, ACKNOWLEDGEMENT OR WORK ORDER BE CONSIDERED PART OF, OR AN AMENDMENT OR MODIFICATION TO, THIS PURCHASE AGREEMENT.

• The following shall be added to existing Article 38.0 governing Survival:

Further, the obligations and rights of the parties pursuant to the Article governing Testimony shall survive the expiration or earlier termination of this Agreement.

EXHIBIT D
CONTRACTOR RATE SCHEDULES

CONTRACTOR RATE SCHEDULES

Table of Contents	Page
General Provisions	1
Unit Pricing Sheet Number 1 - Drilling	3
Unit Pricing Sheet Number 2 - Sampling and Analysis.....	4
Schedule of Labor Rates	5
Labor Classifications	7
1994 Charges for Professional Services.....	8

General Provisions

Set forth below and on the attachments hereto are pricing, time and materials and rate schedules applicable to the performance of Work under this Contract.

(A) Unit Pricing

- (1) Contractor will invoice for drilling activities at the rates shown on Unit Pricing Sheet Number 1 - Drilling.
- (2) Contractor will invoice for sampling and analysis activities at the rates shown on Unit Pricing Sheet Number 2 - Sampling and Analysis.
- (3) All unit pricing rates include all costs and expenses necessary to perform the activity involved, including without limitation, all taxes, markups, overhead, labor, materials, etc.

(B) Labor Rates

- (1) Except as is otherwise provided for in Subsection (C), Labor Classifications, Contractor will invoice for labor on time and materials-priced Projects at the rates set forth on the attached Schedule of Labor Rates.

- (2) Labor Rates may be escalated, effective January 1 of each year, as per the actual increased employee rates (not to exceed 5% per year) and subject to approval of the Buyer.
- (3) The Schedule of Labor Rates includes all personnel (names and positions/titles) who will be utilized to perform the Work under the Contract.

(C) Labor Classifications

- (1) The completed Labor Classifications Sheet is attached.
- (2) Each of the positions/titles outlined in the Schedule of Labor Rates has been categorized into one of the five levels defined on the Labor Classifications Sheet. One hourly rate (billing rate) is presented for each level; this rate is representative of the positions in that level, based on an average of the billing rates of the personnel listed. The average hourly billing rate may be utilized for some Work Releases under the Contract, at DLC's discretion.
- (3) An estimate of the overall average weighted hourly rate for Work performed under the Contract is \$65.00 per hour. This average weighted hourly rate may be utilized for some Work Releases under the Contract, at DLC's discretion.

(D) Materials and Expenses

- (1) Contractor will bill direct expenses and materials at the rates identified on the "1994 Charges for Professional Services".
- (2) Internal expenses including reproduction, CADD/E Systems, vehicle and equipment rental and telefax will be invoiced at the rates identified on the "1994 Charges for Professional Services".
- (3) DLC shall not be charged for labor utilized to perform reimbursable activities (e.g., photocopying).

(E) Subcontractors

Subcontractors' work will be invoiced at the rates identified on the "1994 Charges for Professional Services".

UNIT PRICING SHEET NUMBER 1
DRILLING

Component	Units	Union Rates	Non-Union Rates	Budget Units	Comments
Monitoring Well Installation					
1. Mobilization/Demobilization	Lump Sum	\$ 350.00	\$ 350.00		
2. Drilling Operations					
- Overburden Drilling, 8" dia. sampling at 3-ft intervals	Foot	\$ 22.00	\$ 17.00		
- Overburden Drilling, 8" dia. without sampling	Foot	\$ 17.00	\$ 14.00		
- Overburden Drilling, 12-1/4" dia. sampling at 3-ft intervals	Foot	\$ 25.00	\$ 22.00		
- Overburden Drilling, 12 1/4" dia. without sampling	Foot	\$ 22.00	\$ 18.00		
- Bedrock Coring, 3" dia.	Foot	\$ 24.00	\$ 20.00		
- Bedrock Corehole Reaming	Foot	\$ 17.00	\$ 14.00		
- Bedrock Air Rotary Drilling	Foot	\$ 17.00	\$ 14.00		
- Temporary 10" Casing	Hour	\$ 155.00	\$ 130.00		
Total Drilling	Foot				
3. PVC Well Construction/Installation based on 8" dia. Boring					
- PVC, 2" or 4" dia., Sch. 40 w/ Cement Grout	Foot	\$ 14.00	\$ 11.00		
- Backfill Boring	Foot	\$ 8.00	\$ 7.00		
- Square Concrete Pad (3 foot square, 8" thick)	Each	\$ 200.00	\$ 150.00		
- PVC, 2" or 4" dia., Sch. 80 w/ Cement Grout	Foot	\$ 16.00	\$ 14.00		
- PVC, 2" or 4" dia., Sch. 40 w/ Volclay Grout	Foot	\$ 15.00	\$ 13.00		
- PVC, 2" or 4" dia., Sch. 80 w/ Volclay Grout	Foot	\$ 16.00	\$ 14.00		
Total Well Installation	Foot				
- Additional Cement (for larger borings)	Bag	\$ 10.00	\$ 9.00		
- Additional Bentonite Pellets (for larger dia. borings)	50# Bucket	\$ 35.00	\$ 35.00		
- Hole Plug	50# Bag	\$ 15.00	\$ 15.00		
- Other PVC 4" Sch. 40 Riser	Foot	\$ 5.00	\$ 5.00		
4. Protective Steel Casing (10' length)	Each	\$ 115.00	\$ 115.00		
5. Packer Testing Time	Hour	\$ 155.00	\$ 130.00		
6. Well Development	Hour	\$ 155.00	\$ 130.00		
7. Steam Decontamination	Hour	\$ 155.00	\$ 130.00		
8. Site Access/Bulldozing	Hour	\$ 85.00	\$ 65.00		
9. Well Abandonment	Hour	\$ 155.00	\$ 130.00		
10. Consultant Oversight	Hour	\$ 53.00	\$ 53.00		

UNIT PRICING SHEET NUMBER 2
SAMPLING AND ANALYSIS

PARAMETERS	METHOD	Analysis Unit Cost
Alkalinity	2820B	\$ 7.00
Bicarbonate	2320B	\$ 7.00
Ammonia-Nitrogen	350.3	\$ 17.50
Nitrate-Nitrogen	4500-NO3 D	\$ 14.00
Chemical Oxygen Demand	EPA 410.4	\$ 17.50
Chloride	EPA 325.3	\$ 10.50
Fluoride	EPA 340.2	\$ 10.50
pH	EPA 150.1	\$ 5.00
Specific Conductance	EPA 120.1	\$ 7.00
Total Organic Carbon	EPA 415.1	\$ 17.50
Turbidity	EPA 180.1	\$ 7.00
Sulfate	EPA 375.4	\$ 10.50
Total Dissolved Solids	EPA 160.1	\$ 10.50
Calcium	EPA 215.1	\$ 16.80
Iron	EPA 236.1	\$ 16.80
Manganese	EPA 243.1	\$ 16.80
Potassium	EPA 258.1	\$ 16.80
Sodium	EPA 275.1	\$ 16.80
Zinc	EPA 289.1	\$ 16.80
Lead	EPA 239.2	\$ 35.00
Copper	EPA 220.1	\$ 16.80
Chlorinated VOCs	EPA 601	\$ 99.50
Aromatic VOCs	EPA 602	\$ 94.50
Arsenic	EPA 206.2	\$ 35.00
Barium	EPA 208.1	\$ 16.80
Cadmium	EPA 213.2	\$ 35.00
Chromium	EPA 218.2	\$ 35.00
Magnesium	EPA 242.1	\$ 16.80
Mercury	EPA 245.1	\$ 39.00
Selenium	EPA 270.2	\$ 35.00
Silver	EPA 272.2	\$ 35.00
Aluminum (total)	EPA 202.2	\$ 35.00
TOTAL UNIT COST		\$ 730.70

- NOTES: (1) EPA Method 601 includes: 1,1,1-Trichloroethane; 1,1-Dichloroethane; 1,2-Dichloroethane; 1,2-Dibromomethane; cis-1,2 Dichloroethane; trans-1,2 Dichloroethane; Methylene Chloride; Tetrachloroethane; Trichloroethene; Vinyl Chloride.
- (2) EPA Method 602 includes: Benzene, Ethylbenzene, Toluene, and Xylenes.
- (3) All quarterly and annual listed metals are to be analyzed for dissolved and total fractions unless otherwise noted.
- (4) Cost for Calcium, Iron, Manganese, Potassium, Sodium, Zinc, Copper, and Barium are based on EPA Method 200.7 / 6010

SCHEDULE OF LABOR RATES

Title/Position (1)	(A) Base Hourly Rate (2)	(B) Overhead Labor	(C) Overhead Administration	(D) Overhead Profit (3)	Total Hourly Chargeable Rate A+B+C+D	Overtime Hourly Rate
Principal	42.99	14.59	60.77	-3.35	115.00	115.00
Sr. Project/Technical Manager	32.79	11.13	46.34	9.74	100.00	100.00
Project/Technical Manager	29.02	9.85	41.01	10.12	90.00	90.00
Sr. Project Engineer	25.68	8.72	36.30	13.31	84.00	84.00
Project Engineer	23.58	8.00	33.33	7.08	72.00	72.00
Sr. Engineer	20.62	7.00	29.14	8.25	65.00	65.00
Engineer	16.37	5.55	23.13	11.94	57.00	57.00
Sr. Engineering Technician	17.91	6.08	25.31	6.70	56.00	56.00
Sr. Resident	22.42	7.61	31.69	-9.72	52.00	52.00
Designer	16.87	5.72	23.84	5.57	52.00	70.20 *
Engineering Technician	12.79	4.34	18.08	8.78	44.00	59.40 *
Resident II	17.33	5.88	24.49	-2.70	45.00	60.75 *

(1) Provide all union and non-union positions.

(2) Provide the corresponding union and non-union rate.

(3) The overall weighted profit is 8.0%.

* = Overtime rates at 1.35 factor for nonexempt employees.

LABOR CLASSIFICATIONS

Level Definition	Relative Contractor Title(s)/Positions	Rate
Level I Principal / Director Upper Level Management	Principal Senior Project / Technical Manager	107.00
Level II Project Manager Senior Project Engineer	Project / Technical Manager Senior Project Engineer / Scientist Senior Engineer / Scientist	82.00
Level III Scientist / Engineer	Engineer / Scientist Senior Resident Senior Engineering Technician	55.00
Level IV Drafting / CAD Design Technician	Designer Engineering Technicians Resident II Resident I	45.00
Level V Clerical	Senior Technicians Technicians Assistant Technicians	30.00

1994 CHARGES FOR PROFESSIONAL SERVICES

DUQUESNE LIGHT COMPANY

The charges for services provided by Chester Environmental consists of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATION</u>	<u>HOURLY RATES</u>	<u>OVERTIME HOURLY RATES</u>
Principals	\$ 115.00	\$ 115.00
Senior Project/Technical Managers	100.00	100.00
Project/Technical Manager	90.00	90.00
Senior Project Engineers/Scientists	84.00	84.00
Project Engineers/Scientists	72.00	72.00
Senior Engineers/Scientists	65.00	65.00
Engineers/Scientists	57.00	57.00
Senior Engineering Technicians	56.00	56.00
Designers*	52.00	70.20
Engineering Technicians*	44.00	59.40
Senior Technicians*	35.00	47.25
Technicians*	30.00	40.50
Assistant Technicians*	25.00	33.75

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

SUBCONTRACTS AND SPECIALTY EQUIPMENT:

Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 5.5% (not to exceed \$15,000 on any individual subcontract, purchase, or rental).

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule agreed to by Chester LabNet and Beazer. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: A surcharge of 50% will be added to published rates for the actual time spent in preparations or attendance as expert witness at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS

REPRODUCTION EXPENSES: In-house costs for long-distance, telefax, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report productions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 5.5%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling, and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.

EXHIBIT E

GENERAL TECHNICAL SPECIFICATION

**Duquesne Light Company
Power Supply Group
Fossil Generation Unit**

**General Technical Specification
Groundwater Assessment/Abatement Planning Activities for
Coal-Fired Utility Residual Waste Management Sites**

Date Issued: _____

TABLE OF CONTENTS
GROUNDWATER ASSESSMENT/ABATEMENT
GENERAL TECHNICAL SPECIFICATION

Sect.	Description	Page
1.0	<u>Introduction</u>	1
2.0	<u>Overall Project Background</u>	1
3.0	<u>General Scope of Work</u>	3
4.0	<u>References and Citations</u>	4
5.0	<u>Available Data</u>	6
6.0	<u>Project Control and Management</u>	7
7.0	<u>Work Products</u>	10

Attachments

Appendix 1 - AUTOCAD Drawing Specification

1.0 Introduction

This General Technical Specification covers activities associated with groundwater assessment/abatement planning activities for residual waste management facilities (landfills and impoundments) under the jurisdiction of Duquesne Light Company (DLC).

The landfills are monofills consisting of non-hazardous coal combustion by-products (fly ash, bottom ash and/or fixated flue gas desulfurization (FGD) sludge). The placement of wastes at the landfills is in accordance with applicable Solid Waste Permits issued by the Pennsylvania Department of Environmental Resources and the Interim Compliance Plans.

DLC storage impoundments (ponds) are utilized for the treatment (settlement and neutralization) of waters associated with the production of electricity. Incidental to the treatment of the various waters, residual waste (solids) are temporarily stored in the ponds until their removal for disposal. The PaDER has authority over the discharges from these ponds under National Pollutant Discharge Elimination System (NPDES) Permits.

2.0 Overall Project Background

Upon the promulgation of the Residual Waste Management Regulations, July 4, 1992, DLC developed a phased approach to implementing the requirements of this new rulemaking. This approach is broken down as follows.

Phase I:

Initial Identification of Regulated Residual Waste Management Facilities and General Generator Responsibilities (completed)

- Identification of the regulated residual waste management facilities.
- Assessment of the initial actions needed to comply with the new regulations.
 - general requirements
 - transition compliance deadlines
 - preliminary compliance options/alternatives
 - preliminary compliance cost estimations

Phase II:

Compliance Requirements (completed)

- Assessment of current status of the generation and management of residual waste versus the new regulatory requirements.
- Identification of more specific compliance requirements and options.

- Compliance strategies formulated.
- Compliance Cost Estimates

Phase IIB:

Groundwater Data Acquisition (conducted on seven (7) facilities that had existing groundwater monitoring systems)

- Groundwater Assessment Plans
- Groundwater Assessment Plan Implementation
- Sampling and Analysis

Phase III:

Preliminary Permit Applications, Closure Plans, Interim Operating Conditions

- Submission of the T1's for two active landfills.
- Submission of the Closure Plans for three inactive/phase closed landfills.
- Groundwater Assessment / Abatement Planning
- Identification of the Interim Operating Requirements for the residual waste management facilities.
- Compliance Options/Alternatives Refinement for Landfills and Wastewater Treatment Systems at the Power Stations.
- PaDER interaction and approvals

Phase IV:

Engineering (pertaining to Solid Waste Permitting for the two active landfills)

- Provide detailed designs for compliance options selected/approved.

Phase V:

Construction

- Perform construction related activities as approved by the Department for the various residual waste management facilities.

3.0 General Scope of Work

The scope of this work broadly defined will include providing groundwater assessment and/or abatement planning services as necessary to obtain compliance with the new Residual Waste Management Regulations, 25 Pa. Code, Chapters 287-289, 293, 297 and 299. DLC is committed to achieving full and complete compliance with all environmental obligations in an innovative and cost-effective manner.

It is anticipated that all projects will be associated with the DLC Fossil Generating Stations located in the Pittsburgh Metropolitan area. The stations include: Cheswick Power Station, Springdale, PA; Elrama Power Station, Elrama, PA; and Phillips Power Station, South Heights, PA.

The projects may consist of:

1. Verifying surface and subsurface characterizations performed to date.
2. Developing and gaining PaDER approval for Groundwater Assessment Plans.
3. Implementing Groundwater Assessment Plans.
4. Confirming the existing groundwater data analysis results.
5. Source identification of degradation.
6. Performing Risk Assessments.
7. Defining site specific abatement options.
8. Evaluating effectiveness, implementability and economic feasibility of abatement options.
9. Performing groundwater modeling (balance, transport, etc.) to predict the extent and dilution of groundwater constituents.
10. Detailed design of recommended physical abatement options.
11. Preparing specifications, procedures, drawings and programs for implementation of recommended physical option.
12. Developing Post-Abatement Water Quality Monitoring Programs.
13. Obtaining necessary permits/plans (i.e. Erosion and Sedimentation Plan) related to groundwater issues.
14. Other work as required that will be related to groundwater issues.

4.0 References and Citations

All work performed by the Contractor shall satisfy the requirements as defined in the Residual Waste Management Regulations, 25 Pa. Code Chapters 287-289, 293, 297 and 299. The Contractor shall obtain the necessary regulatory approvals necessary to perform the work. The Contractor must monitor regulatory developments on a continuous basis, and advise DLC as to any changes or proposed changes which could have an impact on work on the project, and modify its work so as to ensure compliance with all laws, regulations and programs then in effect.

5.0 Available Data

DLC will provide at least one copy of the pertinent documentation on an as-needed basis to the Contractor. Documentation that will be available will include:

- Groundwater Assessment Reports
- Raw Groundwater Analytical Data from DLC Laboratory, presented in tabular and graphical formats
- NPDES Permits and Applications
- Solid Waste Permits and Applications
- Industrial Waste Permits and Applications
- Permit by Rule Notices
- T3 Submittals
- T1 Submittals
- Closure Plan Submittals
- General Site Layouts
- Interim Compliance Plans
- Form 25R Submittals
- Form 330 and 330GM Submittals

It is the responsibility of the Contractor to request any additional pertinent information from DLC that may be helpful during this project, provided, however, that DLC shall only be obligated to produce for the Contractor that information and documentation which DLC already has in its possession. In the event that the Contractor believes any other information or documentation is required or is advisable in connection with the performance of its work, the Contractor shall obtain such information at its own expense and through its own efforts. All documents provided by DLC or prepared for DLC shall remain the property of DLC and the Contractor shall treat all documents as confidential and shall not release any of the information contained therein without written permission from DLC. The Contractor shall return to DLC all documents forwarded to them by DLC at the end of the contract period or when requested by DLC.

6.0 Project Control and Management

Work Authorization

Work on any individual project will be authorized and documented with a Work Release form, a copy of which is attached to the General Services Agreement as Exhibit A. In most cases, the request will be made in advance, in writing. However, in certain rare circumstances, a verbal request may be necessary. (An alternate form may be utilized upon DLC approval). No verbal request or authorization will be binding upon DLC unless confirmed in writing within 24 hours of the date of issuance. Contractor shall not commence work on a project until it receives an authorized Work Release from DLC.

Extra Work Orders

Contractor shall not be entitled to any compensation for the performance of any work not directly authorized in a Work Release unless prior to the performance of such extra work Contractor shall have received from DLC specific written authorization in the form of an Extra Work Order.

Meetings

The Contractor will prepare and participate in routine progress meetings with DLC. These meetings will take place, at a minimum, once every two weeks.

The progress meetings shall be held at DLC offices. A kick-off meeting shall be held prior to the start of each project, as required. When possible, a project kick-off meeting shall be held during the normally scheduled progress meeting.

Within one week after each project review meeting, the Contractor shall submit draft meeting minutes to DLC for approval. After such minutes have been revised and finalized, a final copy of the meeting minutes shall be distributed as requested by DLC.

In connection with any meetings held between DLC and the Contractor, the following shall apply:

- All meetings shall take place when scheduled by DLC, subject to reasonable reschedulings requested by Contractor, as long as such requested reschedulings do not adversely impact schedule compliance.
- Contractor's project manager shall attend all meetings referred to herein, unless otherwise agreed by DLC. Additionally, Contractor shall ensure that persons with appropriate technical expertise and experience in those matters that will be discussed are also in attendance.

- Five digit job number (OFE number)
- discipline - (M)echanical, (B) general, (E)lectrical
- two digit sequential number

2.3 All data shall be documented with a manifest listing:

- drawing number,
- revision level,
- title,
- software and version description, (including both the version supplied to DLC and the version the drawing was originally produced under)
- media type
- software chronology (including all versions and any conversions)

2.4 All data shall be additionally stored on a magnetic disk, accompanied by an original signed plot of the drawing. This information shall be transferred at the completion or issuance of each new drawing and every revision.

2.5 The transfer of data that is not design drawing specific, such as standard menus, library and user software files, third party software as approved by DLC, shall be transferred as listed herein and shall be clearly identified. Revisions or changes to this data shall be supplied during the duration of the work required by the Engineering Work Request.

2.6 All drawing plans, elevations, etc. shall be to the correct scale and clearly identified.

3.0 Software and Data Compatibility

3.1 Data must be 100% compatible with AUTOCAD Version 12c2 or 10c10a PC DOS AUTODESK Inc.

3.2 The Contractor shall not create drawings that require third party vendor software packages. In other words, the Contractor shall utilize compatible software for the complete drawing data set so as not to render any portion of the data unusable to DLC.

Unusable means that the file cannot be viewed, printed or plotted, cannot be revised and normal computer performance is impaired.

3.3 All symbols are to be in accordance with industry standards. For those unique symbols, the shapes shall be supplied on the data diskette as well as a hard-copy printout with a legend and full descriptions of each.

3.4 Any pattern files (xx.PAT), font or shape files (xxx.SHX), batch files (xxx.BAT) or routines or subroutines (xxx.LSP), etc. shall be submitted with the main drawing provided these files are required to complete the main drawing, or revise it in the

future. Note that all text files are to be standard text files as supplied by AUTOCAD R12, no proprietary text files will be accepted.

3.5 DLC shall not assume the responsibility to enlist, procure, purchase or obtain release or license of any software that the Company does not already utilize.

3.6 Drawing data file sizes to be kept to a maximum of 3 MEG, uncompressed. There shall be no scanned RASTER files. All scanned files must be vectorized.

4.0 DLC Supplied 3.5" Diskette

_____4.1 Instructions on how to access the various attributes for DLC standard drawings are available in more detail in the READ_ME.DOC file on the supplied diskette.

4.2 DLC drawings have a (0,0) origin point at the lower left corner of the inside border.

EXHIBIT F

EXTRA WORK ORDER

**DUQUESNE LIGHT COMPANY
EXTRA WORK ORDER**

Date: _____

Subject: Groundwater Assessment/Abatement Project

Contract No.: _____

Work Release No.: _____

Extra Work Order No.: _____

Contractor: _____

Address: _____

Contractor is hereby authorized to perform the extra work described below for the Work Release No. set forth above. The terms and conditions governing performance of extra work shall be as set forth below, in the attachments hereto, in the Work Release Form and the attachments thereto, and in the "Contract", as that term is defined in the General Services Agreement dated _____, 199____ by and between Contractor and Duquesne Light Company. This Extra Work Order when executed by Duquesne Light Company and Contractor shall constitute a Contract Document under the General Services Agreement.

Location of Site: _____

Nature of Additional Work to be Performed: _____

Reason for Extra Work: _____

Impact on Original Schedule: _____

Method of Pricing: _____

Lump Sum Price (if applicable): \$ _____

Not-to-Exceed Cap (if applicable): \$ _____

Contractor's Estimate on Time and Material Projects (if applicable): \$ _____

List of Attachments:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

Required Deliverables:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Other: _____

ACCEPTED AND AGREED:

DUQUESNE LIGHT COMPANY

CONTRACTOR

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT G

KEY PERSONNEL CHART

EXHIBIT G

KEY PERSONNEL CHART

List below the names of those key Contractor personnel who are assigned to performance of Work under this Agreement. Such persons shall not be reassigned or removed without the prior written consent of DLC.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

1994 CHARGES FOR PROFESSIONAL SERVICES

DUQUESNE LIGHT COMPANY

The charges for services provided by Chester Environmental consists of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATION</u>	<u>HOURLY RATES</u>	<u>OVERTIME HOURLY RATES</u>
Principals	\$ 115.00	\$ 115.00
Senior Project/Technical Managers	100.00	100.00
Project/Technical Manager	90.00	90.00
Senior Project Engineers/Scientists	84.00	84.00
Project Engineers/Scientists	72.00	72.00
Senior Engineers/Scientists	65.00	65.00
Engineers/Scientists	57.00	57.00
Senior Engineering Technicians	56.00	56.00
Designers*	52.00	70.20
Engineering Technicians*	44.00	59.40
Senior Technicians*	35.00	47.25
Technicians*	30.00	40.50
Assistant Technicians*	25.00	33.75

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 5.5% (not to exceed \$15,000 on any individual subcontract, purchase, or rental).

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by Chester Environmental laboratories will be invoiced based upon the current Analytical Fee Schedule agreed to by Chester LabNet and Beazer. Analyses made by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: A surcharge of 50% will be added to published rates for the actual time spent in preparations or attendance as expert witness at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long-distance, telefax, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report productions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 5.5%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling, and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.

1996 CHARGES FOR PROFESSIONAL SERVICES

DUQUESNE LIGHT COMPANY

The charges for services provided by Chester Environmental consist of: (1) an hourly billing rate for any professional staff member actively working on a project; (2) reimbursement of direct expenses; (3) reimbursement of subcontractor's and other special costs; (4) use and rental charges for equipment; and (5) laboratory analyses. Invoices covering these charges and expenses will be submitted for payment on a monthly basis (except for subcontractor invoices which will be billed as received), unless some other arrangement has been agreed upon.

Hourly billing rates for various classifications of Chester Environmental personnel are indicated below and are subject to annual revision:

<u>STAFF CLASSIFICATIONS</u>	<u>HOURLY RATES</u>
PRINCIPAL	\$115.00
SENIOR PROJECT/TECHNICAL MANAGER	100.00
PROJECT/TECHNICAL MANAGER	95.00
SENIOR PROJECT ENGINEER/SCIENTIST	89.00
PROJECT ENGINEER/SCIENTIST	76.00
SENIOR ENGINEER/SCIENTIST	70.00
ENGINEER/SCIENTIST	60.00
SENIOR ENGINEERING TECHNICIAN	59.00
DESIGNER*	56.00
ENGINEERING TECHNICIAN*	47.00
SENIOR TECHNICIAN*	36.00
TECHNICIAN*	32.00
ASSISTANT TECHNICIAN *	26.00

* Overtime rates are 1.35 times the hourly rate.

The above rates include all employees' wages and payroll burdens, plus company overhead and profit.

SUBCONTRACTS AND SPECIALTY EQUIPMENT: Subcontractor costs, material costs, and the costs associated with the rental of specialized equipment will be charged at cost plus 5.5% (not to exceed \$15,000 on any individual subcontract, purchase, or rental).

EQUIPMENT: Use of equipment and vehicles owned by Chester Environmental will be invoiced at fixed daily or weekly rates. A summary of these rates will be provided upon request.

LABORATORY ANALYSES: Analyses performed by outside laboratories will be invoiced as subcontractor costs.

SPECIAL SERVICES: A surcharge of 50% will be added to published rates for the actual time spent in preparation or attendance as expert witness at depositions, public testimony, hearings and/or court proceedings.

COMMUNICATION AND MISCELLANEOUS REPRODUCTION EXPENSES: In-house costs for long distance telephone, telex, facsimile, PC computer usage plus normal postage, photocopying and blueprints will be invoiced at 1.5% of total invoiced Chester Environmental labor. This does not include express mail services or drawings, specifications and report reproductions which are invoiced at material costs and labor rates.

DIRECT EXPENSES: Charges for rental vehicles, meals, travel, and lodging will be billed at actual costs plus 5.5%. Personal vehicles will be billed at \$0.30/mile. Company-owned microprocessors will be charged at \$20.00/hour for modeling and CAD/E systems.

TRAVEL: Time spent traveling in the interest of the client will be minimized and will be billed at standard hourly rates.

DUQUESNE LIGHT COMPANY

C. - Summary of Filing

21. Describe costs relative to leasing equipment, including computer rentals, and office space, including terms and conditions of the leases. State method for calculating monthly or annual payments.

Response:

See attached schedule titled "Cost of Leased Property and Equipment For the Year Ended December 31, 1996".

DUQUESNE LIGHT COMPANY

Cost of Leased Property and Equipment
For the Year Ended December 31, 1996Building and Property Leases

<u>Name of Lessor</u>	<u>Details of Lease</u>	<u>Amount of Rent</u>		<u>Method of Calculating Monthly or Annual Charge</u>
		<u>Account</u>	<u>Total</u>	
Oxford Development Corp.	Office building at One Oxford Centre, Pittsburgh, PA 15279 comprising the main office of the Company effective 8/19/82. The lease is for a term of 20 years with options to renew for one additional five year period.	931	\$7,585,878	Base rent 323,399.61 sq. ft. at \$22.799/sq. ft. 7,453.8 sq. ft. at \$26.799/sq. ft. 1,175 sq. ft. at \$11.00/sq. ft.
Property Ventures, LTD.	For lease of Woods Run Office Building at 2841 New Beaver Avenue, Pittsburgh, PA for use as a headquarters building for Power Stations, Data Processing and Transmission & Distribution. Lease is for 29 years commencing 1/1/84.	931	\$947,724	\$78,977 per month
Principal Mutual Life Insurance Co.	Lease of Transportation Building located at 2833 New Beaver Avenue, Pittsburgh, PA for the period beginning 8/1/77 and terminating 12/31/2007.	803	\$739,291	\$61,607.58 per month
Mellon Mortgage Co.	Lease of the System Control Building located at 2839 New Beaver Avenue, Pittsburgh, PA for the period beginning 8/1/77 and terminating 12/31/2007.	931	\$428,000	\$35,666.67 per month
	Lease of the Substation and Shops Dept. Central District headquarters Bldg. Located at 2837 New Beaver Avenue, Pittsburgh, PA for the period 8/1/77 - 12/31/2007.	931	\$54,871	\$4,572.58 per month
Alcoa Parking	Rental of parking facilities under and around the Manor Building at 564 Forbes Avenue. The lease is for four years and commenced October 29, 1980. The lease was extended for 15 years commencing on January 1, 1985 to December 31, 1999.	803	\$300,000	\$25,000.00 per month
National Underground	Twelve-month lease of 14,019 cu. sq. ft. storage area from 1/1/96 through 12/31/96.	524	\$25,034	\$25,034 per year

DUQUESNE LIGHT COMPANY

Cost of Leased Property and Equipment
For the Year Ended December 31, 1996

Building and Property Leases

<u>Name of Lessor</u>	<u>Details of Lease</u>	<u>Amount of Rent</u>		<u>Method of Calculating Monthly or Annual Charge</u>
		<u>Account</u>	<u>Total</u>	
National Underground (cont'd)	Sixty-month lease for a 15,000 sq. ft. storage area from 12/1/96 through 12/1/2001.	524	\$10,695	\$10,695 per year
GE Capital Modular	Lease agreement for one trailer assembly, total area of 41 ft. x 66 ft. for eighteen months, 7/1/96 - 12/31/98	576	\$21,006	\$1,167.00 per month
Fox Chapel Borough	Lease agreement for Squaw Run Substation from 10/87-4/2011	588	\$400	\$400 per year
Oxford Development Corp. Agent for Property Ventures, LTD.	Lease agreement for 411 7 th Avenue from 10/94-9/2004	931	\$2,442,600	\$203,550 per month
The Bank of New York	Beaver Valley 2 Sale/Leaseback from 12/1/87-6/1/2017 *Amounts differ semi-annually with \$42,928,327 paid in the last year	525	\$44,057,252*	\$16,862,335 *semi- \$27,194,917*annual

DUQUESNE LIGHT COMPANY

Cost of Leased Property and Equipment
For the Year Ended December 31, 1996Other Leased Equipment

<u>Name of Lessor</u>	<u>Details of Lease</u>	<u>Amount of Rent</u>		<u>Method of Calculating Monthly or Annual Charge</u>
		<u>Account</u>	<u>Total</u>	
First Chicago	Lease Sch. 003 Van/Pickup Trucks 1/1/91-1/1/97	803	\$19,126	\$9,563 Semi-annual
First Chicago	Lease Sch. 004 Ford Rangers 1/1/91-1/1/97	803	\$12,712	\$6,356 Semi-annual
First Chicago	Lease Sch. 005 Dodge/Sabre Vans 1/1/91-1/1/97	803	\$19,013	\$9,506 Semi-annual
First Chicago	Lease Sch. 006 Dodge/Sabre Vans 1/1/91-1/1/97	803	\$16,971	\$8,486 Semi-annual
First Chicago	Lease Sch. 007 Dodge Vans 1/1/91-1/1/97	803	\$18,548	\$9,274 Semi-annual
First Chicago	Lease Sch. 008 Dodge/Sabre Vans 1/1/91-1/1/97	803	\$19,636	\$9,818 Semi-annual
First Chicago	Lease Sch. 0010 Dodge/Sabre Vans 7/1/91-1/1/97	803	\$7,120	\$3,560 Semi-annual
First Chicago	Lease Sch. 0011 Ford F-700 7/1/91-1/1/2000	803	\$5,471	\$2,735 Semi-annual
First Chicago	Lease Sch. 012 Ford Sabre Truck 7/1/91-2/1/2000	803	\$5,781	\$2,890 Semi-annual
First Chicago	Lease Sch. 013 Ford Versalift Van 7/1/91-2/1/2001	803	\$4,697	\$2,349 Semi-annual
First Chicago	Lease Sch. 014 Ford Zoresco Body 7/1/91-7/1/2000	803	\$6,347	\$3,174 Semi-annual
First Chicago	Lease Sch. 015 Ford Baker Telelect 7/1/91-1/1/2001	803	\$66,099	\$33,049 Semi-annual
First Chicago	Lease Sch. 016 Ford Chassis 1/1/92-1/1/2002	803	\$6,742	\$3,371 Semi-annual
First Chicago	Lease Sch. 017 Vans & Wagons 1/1/92-1/1/98	803	\$24,507	\$12,253 Semi-annual
First Chicago	Lease Sch. 018 Vans & 4WD 1/1/92-1/1/98	803	\$28,897	\$14,448 Semi-annual
First Chicago	Lease Sch. 019 Dodge Vans 1/1/92-1/1/98	803	\$22,440	\$11,220 Semi-annual
First Chicago	Lease Sch. 020 Engine Trailers 1/1/92-1/1/2002	803	\$5,595	\$2,797 Semi-annual
First Chicago	Lease Sch. 021 Forklifts 1/1/92-1/1/2002	803	\$4,253	\$2,126 Semi-annual
First Chicago	Lease Sch. 022 Ford Derrick 1/1/92-1/1/2002	803	\$16,015	\$8,007 Semi-annual
First Chicago	Lease Sch. 023 Forklifts 7/1/92-7/1/2002	803	\$9,824	\$4,912 Semi-annual
First Chicago	Lease Sch. 024 Dodge/Sabre 7/1/92-7/1/98	803	\$7,110	\$3,555 Semi-annual
First Chicago	Lease Sch. 025 Ford/Sabre 7/1/92-7/1/2001	803	\$8,638	\$4,319 Semi-annual
First Chicago	Lease Sch. 026 Chev. & Dodge 7/1/92-7/1/98	803	\$6,436	\$3,218 Semi-annual
First Chicago	Lease Sch. 027 GMC 7/1/92-7/1/2002	803	\$9,942	\$4,971 Semi-annual

DUQUESNE LIGHT COMPANY

Cost of Leased Property and Equipment
For the Year Ended December 31, 1996Other Leased Equipment

<u>Name of Lessor</u>	<u>Details of Lease</u>		<u>Amount of Rent</u>		<u>Method of Calculating</u>
			<u>Account</u>	<u>Total</u>	<u>Monthly or Annual Charge</u>
First Chicago	Lease Sch. 028 Ford Zoreski	7/1/92-7/1/2001	803	\$19,142	\$9,571 Semi-annual
First Chicago	Lease Sch. 029 Ford Baker	7/1/92-7/1/2002	803	\$38,734	\$19,367 Semi-annual
Banc One	Lease Sch. 012745-04	12/8/89-12/8/97	803	\$42,381	\$3,532 Monthly

DUQUESNE LIGHT COMPANY

C. - Summary of Filing

22. Submit a statement of past and anticipated changes, since the previous rate case, in major accounting procedures, explain any differences between the basis or procedure used in allocations of revenues, expenses, depreciation and taxes in the current rate case and that used in the prior rate cases, and list the internal and independent audit reports for the most recent 2-year period.

Response:

See Schedule A for differences in accounting procedures from that used in the prior rate case.

Independent Audit Reports issued by Deloitte & Touche LLP:

For Year Ended December 31, 1995	dated January 28, 1997
For Year Ended December 31, 1996	dated January 30, 1996

See attached Schedule B for a list of 1995 Internal Audit Reports.

See attached Schedule C for a list of 1996 Internal Audit Reports.

SCHEDULE A

DUQUESNE LIGHT COMPANY

Maintenance

Maintenance expense incurred for scheduled refueling outages at Duquesne's nuclear units is deferred and amortized over the period between scheduled outages. Duquesne changed, as of January 1, 1993, its method of accounting for maintenance costs during scheduled major fossil station outages. Prior to that time, maintenance costs incurred for scheduled major outages at fossil stations were charged to expense as these costs were incurred. Under the new accounting policy, Duquesne accrues, over the periods between outages, anticipated expenses for scheduled major fossil station outages. (Maintenance costs incurred for non-major scheduled outages and for forced outages will continue to be charged to expense as such costs are incurred.) This new method was adopted to match more accurately the maintenance costs and the revenue produced during the periods between scheduled major fossil station outages.

Income Taxes

On January 1, 1993, the Company adopted *Statement of Financial Accounting Standards Number 109 (SFAS No. 109)*. Implementation of *SFAS No. 109* involved a change in accounting principles.

SFAS No. 109 requires that the liability method be used in computing deferred taxes on all differences between book and tax bases of assets. These book tax differences occur when events and transactions recognized for financial reporting purposes are not recognized in the same period for tax purposes. As a utility, Duquesne recognizes *uncollected deferred income taxes* for these deferred tax liabilities that are expected to be recovered from customers through rates. Prior to the adoption of *SFAS No. 109*, Duquesne recorded certain costs in *electric plant in service* net of taxes.

Schedule B

DUQUESNE LIGHT COMPANY
1995 Internal Audit Reports

<u>Report No.</u>	<u>Title</u>	<u>Date</u>
A-95-005	Pennsylvania Blue Shield Dental Plan Settlement Review	01/01/95
A-95-006	1993 Materials and Supplies Inventory Control Review	01/12/95
A-95-007	Davy International Contract Review	01/16/95
A-95-008	Payco American Corporation Contract Review	02/01/95
A-95-009	Travel and Expense Reimbursement Review	03/22/95
A-95-010	CAPCO Transmission Line Invoices Review	03/31/95
A-95-011	Perry O&M Audit	04/03/95
A-95-012	Procurement Card Review	04/20/95
A-95-013	Allegheny Development Corporation Contract Review	05/23/95
A-95-014	Bechtel Construction Company Review	05/30/95
A-95-015	Customer Service Guarantees	06/14/95
A-95-016	Quintain Resources, Inc. (Topaz) Coal Procurement Contract Review	06/23/95
A-95-017	Meter Records Control Review	06/30/95
A-95-018	Blue Choice Healthcare Settlement Review	07/24/95
A-95-019	O&M Expenditure Audit, Bruce Mansfield Plant Units No. 1, 2, and 3	08/09/95
A-95-020	1994 M&S Inventory Control Review-- Edison St., Hershey Rd., & Banksville Rd.	08/09/95
A-95-021	Meter Records/Customer Billing EDP Application Review	08/23/95
A-95-022	Revenue Cycle Audit -- Customer Billing Review	08/31/95
A-95-024	1993 & 1994 Coal Inventory -- Elrama Power Station	09/11/95
A-95-025	1993 & 1994 Coal Inventory -- Cheswick Power Station	09/11/95
A-95-026	CAPCO Fin. Recognition Guidelines Coal Inventory Differences	09/11/95
A-95-027	1993 & 1994 Coal Inventory -- Mansfield	09/11/95
A-95-028	1993 & 1994 Coal Inventory -- Sammis	09/11/95
A-95-029	Continuous Emissions Monitoring System Review	09/11/95

Schedule B (continued)

DUQUESNE LIGHT COMPANY
1995 Internal Audit Reports

<u>Report No.</u>	<u>Title</u>	<u>Date</u>
A-95-030	1994 M&S Inventory Control Review -- Cheswick P.S., Elrama P.S., & Brunot Island P.S. Storerooms	09/27/95
A-95-031	MVS Operating System Review	09/27/95
A-95-032	Cash Receipts Control Review	09/29/95
A-96-001	Transportation Services Department - Operational Review	10/23/95
A-96-002	Joint Fossil Station Billing Control Review	10/27/95
A-96-003	Cauley Detective Agency - Contract Review	10/31/95
A-96-004	Appalachian Mining, Inc. (Alloy) Coal Procurement Contract Review	11/08/95
A-96-005	Pronto Enterprises (Diamond) Coal Procurement Contract Review	11/08/95
A-96-006	Anker Energy (Dippel) Coal Procurement Agreement Review	11/08/95
A-96-007	Kohltran, Inc. (Mack) Coal Procurement Agreement Review	11/08/95
A-96-008	New Penn Inc. (Opal) Coal Procurement Agreement Review	11/08/95
A-96-009	Cyprus Cumberland Resources Corp. (Cyprus) Coal Procurement Agreement Review	11/08/95
A-96-010	Retirement Plans Control Review	11/27/95
A-96-011	Retirement Savings Plans Control Review	11/27/95
A-96-012	KCS Computer Services Contract Review	11/29/95
A-96-013	Fort Martin Billing Review	11/29/95
A-96-014	Bartlett Nuclear, Inc. Contract Review	12/04/95
A-96-015	Company Financial Recognition Guidelines - Coal Inventory Differences	12/11/95
A-96-016	Cash Receipts EDP Application Review 1995	12/12/95

Schedule C

DUQUESNE LIGHT COMPANY
1996 Internal Audit Reports

<u>Report No.</u>	<u>Title</u>	<u>Date</u>
A-96-017	Operation and Maintenance Expenditure Audit Sammis Plant Unit No. 7	01/10/96
A-96-018	1995 Coal Inventory D. Bruce Mansfield Station	01/24/96
A-96-019	1995 Coal Inventory W. H. Sammis Station	01/24/96
A-96-020	1995 Coal Inventory Cheswick Power Station	01/30/96
A-96-021	1995 Coal Inventory Elrama Power Station	01/30/96
A-96-022	Lewis Tree Services, Inc. Contract Review	02/05/96
A-96-023	Summary of Consolidation Coal Company (Consol) Coal Contract Audit	02/02/96
A-96-024	Summary of Dravo Lime Company (Dravo) Contract Audit	02/02/96
A-96-025	Manchester 1995 Materials & Supplies Inventory Control Review	01/31/96
A-96-026	East Central Area Reliability Coordination Agreement (ECAR) Audit	03/19/96
A-96-027	1995 Coal Inventory Eastlake Power Station	03/22/96
A-96-028	Continuing Perry Unit #2 Cost Billings	03/26/96
A-96-029	Disaster Recovery Plan Review	03/29/96
A-96-030	Perry Non-Site Originated O & M Costs	04/30/96
A-96-031	Vanyo Supply Incorporated Contract Review	09/24/96
A-96-032	Property Records EDP Application Review	07/30/96
A-96-033	Retirement Savings Plans Review	07/31/96
A-96-034	Beaver Valley Units No. 1 & No. 2 Operation and Maintenance Expenditure Audit	08/12/96
A-96-035	Travel and Expense Reimbursement Review	08/15/96
A-96-036	Retirement Plans Control Review	09/05/96
A-96-037	Property Records Control Review	09/10/96
A-96-038	Computer Operations Review	09/18/96
A-96-039	Medical Services Contract Review	09/24/96
A-96-040	Beaver Valley 1996 Materials & Supplies Inventory Control Review	09/30/96
A-96-041	Nuclear Work Classes Arbitration Settlement Review	09/16/96
A-96-042	Nuclear Job Sub-Contracting Arbitration Settlement Review	09/18/96
A-97-001	Surge Shield Billing	10/25/96
A-97-002	New Business Process Control Review 1996	10/23/96

FILE

CONTINUED