
ABO HAVEN, INC.

vs.

PHILADELPHIA GAS WORKS

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:
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:
:
:

PENNSYLVANIA PUBLIC
UTILITY COMMISSION

NO. C-2013-2351088

ORDER

AND NOW, this _____ day of _____, 2014, upon consideration of Plaintiff, ABO Haven, Inc.'s, Motion to Join an Indispensable Party, namely, Berean Manual Training and Industrial School, and any responses thereto, it is hereby ORDERED and DECREED that said Motion is GRANTED.

BY THE COURT:

J.

NINO V. TINARI & ASSOCIATES
BY: Nino V. Tinari, Esquire
Attorney I.D. No. 4296
1528 Walnut Street, 12th Floor
Philadelphia, PA 19102
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ABO HAVEN, INC.	:	PENNSYLVANIA PUBLIC
	:	UTILITY COMMISSION
vs.	:	
	:	
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MOTION TO JOIN INDISPENSABLE PARTY

AND NOW, here comes Plaintiff, ABO Haven, Inc. (“ABO”), by and through its attorney, Nino V. Tinari, Esquire, who moves this Honorable Court to join as an indispensable party, Berean Manual Training and Industrial School (the “Joinder Party”), and avers as follows:

1. On or about October 9, 1980, the Department of Education (“DOE”), acting for and on behalf of the Commonwealth of Pennsylvania (the “Commonwealth”), entered into an agreement with the Joinder Party, wherein the Joinder party would lease from the DOE a property owned by the Commonwealth located at 1901 West Girard Avenue, Philadelphia, Pennsylvania 19130 (the “Premises”), for the period of December 1, 1980 to November 30, 2010. *See* said agreement attached hereto as **Exhibit A** and incorporated herein by this reference thereto.

2. The agreement between the DOE and the Joinder Party specifically prohibited the Joinder Party from sub-letting the Premises without the DOE's express written consent. *See* Paragraph Eight the lease attached hereto as **Exhibit A**.
3. On or about September 15, 2011, the Joinder Party entered into an agreement with the Plaintiff, ABO, whereby the Joinder Party sub-let the Premises to the Plaintiff, ABO for the period of September 15, 2011 to September 15, 2017, with an option to renew the Lease for three (3) extended terms of five (5) years each. *See* said agreement attached hereto as **Exhibit B** and incorporated herein by this reference thereto.
4. It was the Plaintiff, ABO, and the Joinder Party's understanding that all utility bills, including the bill for the gas service provided by Philadelphia Gas Works ("PGW"), were included in the Plaintiff's monthly rental payment of approximately nine thousand dollars (\$9,000.00).
5. The Joinder Party did not request and/or receive the express written consent of the DOE before, during, and/or after entering into the aforementioned agreement with the Plaintiff, ABO.
6. By about September 7, 2012, the DOE and/or the Commonwealth had discovered the unauthorized sub-letting of the Premises by the Joinder Party and had begun taking measures to remove the Joinder Party from the Premises. *See* correspondence from the Commonwealth to the Plaintiff, ABO, attached hereto as **Exhibit C** which is incorporated herein by this reference thereto.
7. Upon the Joinder Party's removal from the Premises, the Plaintiff, ABO, applied to have the gas service with PGW placed in its name, and the Plaintiff, ABO,

entered into an agreement with the Commonwealth whereby the Plaintiff, ABO, leased the Premises from the Commonwealth. *See* the agreement attached hereto as **Exhibit D** which is incorporated herein by this reference thereto.

8. It was brought to the attention of PGW counsel that service had been stolen at the Premises ever since mid-April of 2009, and at that time, in an amount of approximately \$50,000.00.
9. PGW terminated its services at the Premises on or about August 27, 2013, and demanded a deposit in excess of \$6,500.00 and a bill of over \$10,000.00 in order to restore service at the Premises.
10. Although Plaintiff, ABO, disputed the aforementioned deposit and bill, Plaintiff, ABO, paid the amount asked for by PGW in order to restore service at the Premises out of necessity.
11. It should be noted that the bill of over \$10,000.00 was for theft of services beginning in April of 2009, but Plaintiff, ABO, was not even a tenant at the Premises until September of 2011.
12. Therefore, Plaintiff, ABO, should not be held responsible for the theft of services.
13. Rather, the Joinder Party, the primary tenant at the Premises during the period in question, should be held responsible for the payment due for the theft of services beginning in April of 2009.

WHEREFORE, Plaintiff, ABO Haven, Inc., respectfully requests that this Honorable Court grant its Motion to Join the Indispensable Party of Berean Manual

Training and Industrial School as an Additional Defendant to the instant action.

NINO V. TINARI & ASSOCIATES

Date: February 7, 2014

/s/ Nino V. Tinari
Nino V. Tinari, Esquire

NINO V. TINARI & ASSOCIATES
BY: Nino V. Tinari, Esquire
Attorney I.D. No. 4296
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VERIFICATION

I, Nino V. Tinari, Esquire, attorney for Plaintiff, ABO Haven, Inc., verify that the statements made in the foregoing Motion to Join Indispensable Party are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C. S. § 4904 relating to unsworn falsification to authorities.

NINO V. TINARI & ASSOCIATES

Date: February 7, 2014

/s/ Nino V. Tinari
Nino V. Tinari, Esquire

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CERTIFICATE OF SERVICE

I, Nino V. Tinari, Esquire, hereby certify that on the date indicated below a copy of the foregoing Motion to Join an Indispensable Party was served on the following via U.S. mail, first class, upon the following:

The Honorable Cynthia Williams Fordham
Pennsylvania Utility Commission
801 Market Street
Suite 4063
Philadelphia, PA 19107

Laureto Farinas, Esquire
Philadelphia Gas Works
800 West Montgomery Avenue
Philadelphia, PA 19122

NINO V. TINARI & ASSOCIATES

Date: February 7, 2014

/s/ Nino V. Tinari
Nino V. Tinari, Esquire

EXHIBIT A

SUBLEASE OF PARTIALLY COMPLETED PROJECT

Between

DEPARTMENT OF EDUCATION
Acting for and on behalf of the
COMMONWEALTH OF PENNSYLVANIA

and

BEREAN MANUAL TRAINING AND INDUSTRIAL SCHOOL

THIS SUBLEASE, dated 9th day of OCTOBER

1980, between the DEPARTMENT OF EDUCATION of the Commonwealth of Pennsylvania (hereinafter called the "Department"), acting for and on behalf of the Commonwealth of Pennsylvania (hereinafter called the "Commonwealth"), with the approval hereto of the Governor of the Commonwealth, as Sublessor, and the BEREAN MANUAL TRAINING AND INDUSTRIAL SCHOOL, a Pennsylvania non-profit corporation and a State-aided institution, situate in Philadelphia, Philadelphia County, Pennsylvania (hereinafter called the "Educational Institution"), as Subleasee,

WITNESSETH:

WHEREAS, under date of March 31, 1966 THE GENERAL STATE AUTHORITY (hereinafter called the "Authority"), a public corporation and governmental instrumentality organized and existing under the Act of the General Assembly of the Commonwealth, approved March 31, 1949, P. L. 372 (Act No. 34, 1949 Session), as amended, entered into a ^{Contract to} Lease ~~XXXXXXXXXXXXXXXXXXXX~~ with the Department, ~~XXXXXXXXXXXX~~ ~~XXXXXXXXXXXX~~ for a certain project known as Construction of Classroom and Physical Education Building

SITUATE in the 29th Ward of the City of Philadelphia, described according to a Survey and Plan of Property made for Redevelopment Authority of the City of Philadelphia by Thomas J. Johnston, Surveyor and Regulator of the 3rd District, dated February 1, 1967, as follows, to wit:-

BEGINNING at a point of intersection formed by the Easterly side of 20th Street (46 feet wide) and the Northerly side of Girard Avenue (80 feet wide); thence extending North 11 degrees 21 minutes East along the said Easterly side of 20th Street, the distance of 121 feet 1 7/8 inches to a point on the Southerly side of South College Avenue (60 feet wide); thence North 83 degrees 03 minutes 07 seconds East along the said Southerly side of South College Avenue 155 feet 10 7/8 inches to a point; thence South 6 degrees; 56 minutes 53 seconds East; 44 feet 10 7/8 inches to a point on the Northerly side of a 3 feet wide alley by deeds, which leads Eastwardly and Westwardly connecting at its Easterly end with a 5 feet wide alley by deeds, which leads Eastwardly; then South 78 degrees 39 minutes East along the Northerly side of said 3 feet wide alley by deeds and passing through said 5 feet wide alley by deeds 74 feet 9 3/8 inches to a point in the bed of said 5 feet wide alley by deeds; thence North 6 degrees 56 minutes 53 seconds West, partly crossing said 5 feet wide alley by deeds 118 feet 4 5/8 inches to a point on the said Southerly side of South College Avenue; thence North 83 degrees 03 minutes 07 seconds East along the said Southerly side of South College Avenue 192 feet 0 inches to a point on the Westerly side of 19th Street (50 feet wide); thence South 11 degrees 21 minutes West along the said Westerly side of 19th Street 252 feet 8 1/8 inches to a point on the said Northerly side of Girard Avenue; thence North 78 degrees 39 minutes West along the said Northerly side of Girard Avenue 397 feet 8 3/4 inches to a point on the said Easterly side of 20th Street, being the first mentioned point and place of beginning.

BEING the same premises which the Redevelopment Authority of the City of Philadelphia by its deed dated the 27th day of February 1968, granted and conveyed unto the General State Authority.

UNDER AND SUBJECT to the covenants contained in the aforementioned deed.

TOGETHER with the structures, facilities, buildings and improvements thereon erected, known as Project No. G. S. A.

1111-1, and such annexed and fixed equipment, furnishings and improvements as may be installed or placed thereon by the Authority or by the Department, which, together with the premises above described, are hereinafter sometimes collectively called the "premises".

TO HAVE AND TO HOLD the premises unto the Educational Institution for a term commencing on December 1, 1980, ~~XXXXXX~~ ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ and ending on November 30, 2010, or at such earlier date as the main Lease may terminate, to be used by the Educational Institution as a Classroom and Physical Education Building.

SECOND: The Department agrees to comply with all of its obligations to be kept and performed under the Lease and, except for the option to cancel as provided in the habendum of the Lease, the Department will take no action which will cause the Lease to terminate prior to the expiration of the term thereof. The Department agrees that the Lease shall not be modified or amended at request of Department without the Educational Institution's written consent.

THIRD: The Educational Institution agrees to pay or cause to be paid in its behalf, annually, as net rental the sum of Twelve Thousand Seven Hundred Fifty-Nine Dollars and Fifty-Four Cents (\$12,759.54). The first payment shall be at the rate as aforesaid on December 1, 1981 and thereafter on the 1st day of each December. The foregoing rental is based upon the total cost of the Project to date as set out in the Lease, subject to adjustment hereafter pursuant to the terms and conditions of adjustment between Authority, its bondholders, and Department as evidenced in the Lease. Rental herein is expressly made subject to such Adjustment. Educational Institution herein consents to pay or cause to be paid all rents due and payable hereunder to Fiscal Agent heretofore mentioned, if Department shall so request.

Additionally hereto, Educational Institution agrees to pay to Department annually as additional rental such sum or sums as are necessary to amortize, with interest per annum at the rate of seven (7) percent, those proceeds of Commonwealth general obligation bonds allocated to this Project, expended therein, and not included in the total cost aforesaid. Such allocated proceeds outstanding is herein declared to be One Million Two Hundred Sixty Nine Thousand Seven Hundred Twenty-Four and 34/100 Dollars (\$1,269,724.34), on account of which Educational Institution may at its option make accelerated payments. Such additional rental is subject to adjustment as aforesaid.

In the event of default of all or part thereof when due, the Department may at its option terminate this Sublease as provided in Paragraph Tenth hereafter, or may continue this Sublease accruing interest at the rate of six (6) per centum per annum on the past due amount, without abatement of future payments as due.

THIRD A: The parties hereto will, upon final computation of the total cost of the project, execute a Final Sublease subsequent to the time that the Department enters into a Final Lease with the General State Authority for the aforementioned building project.

FOURTH: It is understood and agreed that this Sublease shall continue in force and effect irrespective of whether or not any or all of the buildings, structures, improvements, equipment or furnishings upon the demised premises shall have been wholly or partially destroyed, and that there shall be no abatement of rent by reason thereof.

FIFTH: The Educational Institution agrees that, in addition to the payment of the net rental above specified, it will keep and maintain the premises in a state of good repair, making all repairs, major as well as minor, without exception, and without cost to the Department, and will pay all costs and charges necessary for such maintenance and repair and will return the premises to the Department at the termination of this Sublease in the condition in which they were received by the Educational Institution, reasonable wear and tear excepted.

SIXTH: The Department agrees to pay or cause the Commonwealth to pay out of current revenues of the Commonwealth such sum or sums as may be necessary to procure insurance against fire destruction or such other risks as the Authority may require, to the extent that properties of a similar nature are usually insured by persons operating such properties in the same or similar localities, upon all the buildings, structures and improvements, and upon the fixed equipment and furnishings upon the demised premises placed thereon by Authority or Department, in such amount or amounts as may be satisfactory to Authority, and by policies issued by an insurance company or companies satisfactory to the Authority; (provided, however, that the amount of insurance shall conform to the requirements of any

co-insurance clause set forth in the policies of insurance so that no such co-insurance clause shall become operative.) In the event that any or all of the said buildings, structures, improvements, equipment or furnishings on the demised premises shall be wholly or partially destroyed by fire or other casualty covered by insurance, the Educational Institution agrees, to the extent that it lawfully can, that it will cooperate with the Authority and the Department in taking all actions and in doing all things or causing the same to be taken or done, which may be necessary to enable recovery to be made upon the policies of insurance covering the risk to the end that the insurance moneys may be duly collected. In the event of any loss in connection with any fire or other casualty insured against, the Educational Institution agrees that the Authority will rebuild or cause to be rebuilt the destroyed or partially destroyed buildings, structures, improvements, equipment or furnishings, and that the proceeds of insurance will be duly applied for said purposes to the extent that such proceeds are available. In all other instances of liability or loss arising from or out of the premises demised herein, the Educational Institution shall hold harmless the Department, nor shall the Department be deemed to waive immunity beyond that provided by law.

SEVENTH: Should the Educational Institution desire to make any alterations or additions to the premises or remove any of the structures or improvements thereon, the permission of the Department to make such alterations, additions or removals shall be obtained in writing.

EIGHTH: The Educational Institution shall not assign this Sublease or sublet the demised premises without the written consent of the Department.

NINTH: The Educational Institution agrees, at the termination of the term of this Sublease, or at its earlier termination in accordance with provisions of the Lease, that it will surrender or cause to be surrendered quiet and peaceful possession of the premises to the Department, without any further notices which are now or hereafter may be required by laws of the Commonwealth of Pennsylvania; provided, however, that the Educational Institution shall have the right at all times prior to the termination of this Sublease to remove from the demised premises all books, manuscripts, documents, paintings, objects of art, furniture and all other annexed and removable property and equipment installed or placed upon the demised premises by the Educational Institution.

TENTH: If the Educational Institution shall fail, after 30 days' written notice from the Department to cure any default, including payment of rent as hereinbefore provided, or performance of any other covenant herein provided, and shall continue such default after written notice of same sent by registered mail to the appropriate officers of Educational Institution, then the Department may, at its option, declare this Sublease and all the rights of the Educational Institution forfeited and void, and may re-enter and take possession of the premises without prejudice to any other rights or privileges which the Department may have in law or equity. The waiver by the Authority or the Department of any forfeiture for any one or more of such defaults on the part of the Educational Institution shall not prevent the Department from taking advantage of a subsequent default.

ELEVENTH: The Department shall promptly notify the Educational Institution of any written notice of default given it by the Authority under the provisions of Article Eleventh of the Lease.

TWELFTH: All notices provided for in this Sublease shall be in writing and shall be sent by registered mail, and shall be addressed to the Department at Harrisburg, Pennsylvania, and to the Educational Institution at the address designated by the Institution in writing to the Department.

THIRTEENTH: In the event of the commencement of any action or other proceeding on the part of the Authority to foreclose or terminate the estate or interest of the Department or the Commonwealth based upon a default under the Lease (in case the Authority should elect to proceed in that manner), or upon the commencement of any such action or other proceeding by the Department based upon a default by the Educational Institution under this Sublease, or of any other action or proceeding on the part of the Authority or the Department, wherein the appointment of a receiver may be permissible, then the Authority or the Department shall, as a matter of right, immediately upon the institution of any such action or proceeding, upon notice to the Educational Institution, be entitled to the appointment of a receiver, for its security and benefit, of the demised premises and of all of the buildings and improvements thereon, and of the rents, issues, profits and other income thereof, with such ample powers as the court making such appointment can confer, subject to the provisions of the General State Authority Act of 1949.

FOURTEENTH: Anything in this Sublease to the contrary notwithstanding, in the event that the Educational Institution shall exercise the option to purchase the demised premises as provided in paragraph Thirteenth of the Lease, this Sublease shall terminate absolutely effective as of the date of the exercise of such option.

IN WITNESS WHEREOF, the Governor of the Commonwealth having
hereto indicated his approval of this
Sublease in writing, the Department, acting for and on behalf
of the Commonwealth, has executed this Sublease by its Secretary,
and the Educational Institution has caused this Sublease to be
executed in its corporate name by its President or a Vice
President and its corporate seal to be hereunto affixed and
attested by its Secretary or Assistant Secretary, the day and
year first above written.

(SEAL)

DEPARTMENT OF EDUCATION
Acting for and on behalf of the
Commonwealth of Pennsylvania

By Robert G. Seaman
Attest Barbara J. White

BEREAN MANUAL TRAINING AND
INDUSTRIAL SCHOOL

By Robert J. Lina Boretti President
Attest Thomas Michael Hill Secretary

(CORPORATE SEAL)

COMMONWEALTH OF PENNSYLVANIA:

SS:

COUNTY OF DAUPHIN

ON THIS 22nd day of October, 1980

before me, the undersigned authority, a Notary Public in and for said Commonwealth and County, personally appeared Robert Deanton, Secretary of the Department of Education, known to me to be such, in due form of law acknowledged the foregoing Indenture to be his act and deed as Secretary of the Department of Education, and the act and deed of the Department of Education as authorized by Act No. 34, as amended, of the General Assembly of the Commonwealth of Pennsylvania approved March 31, 1949, and in his official capacity desired the said Indenture to be recorded as and for the act and deed of the Department of Education of the Commonwealth of Pennsylvania, acting for and on behalf of said Commonwealth.

WITNESS my hand and notarial seal the day and year first above written.

Patti Jo Logan
Notary Public

PATTI JO LOGAN, Notary Public
Harrisburg, Dauphin Co., Pa.
My Commission Expires Oct. 17, 1983

COMMONWEALTH OF PENNSYLVANIA:

SS:

COUNTY OF PHILADELPHIA :

ON THIS 9th day of OCTOBER

1980, befo. me, the undersigned officer, a Notary Public in and for the State and County aforesaid, personally appeared Robert Johnson-Smith who acknowledged himself to be the Chairman of the Board of Trustees of the BEREAN MANUAL TRAINING & INDUSTRIAL SCHOOL, a Pennsylvania non-profit corporation; and that he as such Officer being authorized to do so, executed the foregoing Indenture for the purposes therein contained by signing the name of the corporation by himself as Chairman

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


Notary Public

HERMAN BRONSWEIG
Notary Public, Phila., Phila. Co.
My Commission Expires June 16, 1984

Approval as to Form and Legality
~~XXXXXXXXXXXXXXXXXXXX~~

Deputy Attorney General

By the Governor:

Secretary of the Commonwealth

(GREAT SEAL)

Governor of the Commonwealth of Pennsylvania

EXHIBIT B

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective [September 15, 2011], by and between Berean Institute ("Landlord") and ABO Haven, Inc. ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as [Berean Institute and generally described as follows (the "Building"): [1901 West Girard Avenue, Philadelphia, PA 19130-1526

Landlord makes available for lease a portion of the Building designated as All Purpose Room (Gym) as scheduled, The Resource Center (Library), the entire 2nd floor and three (3) classrooms and Office Space on the 1st floor, Monday - Saturday) from 6:00 am - 10:00 pm (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

WHEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning September 15, 2011 and ending September 15, 2017. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for three (3) extended terms of [5 years] each. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. Each renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of [\$108,000.00 Rent] per year, payable in installments of [\$9,000] per month. Each installment payment shall be due by the 15th of the month. Tenant will pay its first month rent September 15, 2011. All payments must be a company check, certified check or money order.

B. The rental for any renewal lease term, if created as permitted under this Lease, shall be [\$113,400.00] per year payable in installments of [\$9,045.00] per month; which includes a five percentage increase each month.

3. Use

Space is to be used to operate a school, with the express understanding that the school will function within the rules, regulations, local, state and federal statutes to which Berean Institute is bound by, or any other activity prohibited and proscribed by the commonwealth of Pennsylvania. Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables, or other inherently dangerous substance, chemical, thing or device.

1. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease. At the conclusion of said tenancy, Tenant shall at the request of the Landlord solely, cause any necessary repairs and remove any fixtures to be made to the demised premises to return said premises to the state it was at the commencement of the lease.

6. Alterations and Improvements.

Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance. Landlord shall be named beneficiary under said policy.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance for persons and on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereof fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

Landlord shall pay all estimated charges for electricity, for "Leased Premises" as described above used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Tenant. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

9. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, and only at such places as specified by landlord, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

10. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

11. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas. Selected areas on the parking lot shall be reserved for Berean officials. These reserved spaces must be honored.

12. Building Rules.

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "B" and incorporated herein for all purposes.

13. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for Tenant's purposes.

4. Default.

Default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

15. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

16. Condemnation.

If any legally constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

17. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons a Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

18. Security Deposit. N/A

Security Deposit shall be held by Landlord without liability for interest and as security for the performance of the Lease. It is hereby expressly understood that if

Security Deposit shall not be considered an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. Unless otherwise provided by mandatory non-waivable law or regulation, Landlord may commingle the Security Deposit with Landlord's other funds. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by Landlord to Tenant. If Landlord transfers its interest in the Premises during the term of this Lease, Landlord may assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

19. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Berean Institute
1901 West Girard Avenue
Philadelphia, PA 19130-1526

If to Tenant to:

ABO Haven, Inc
2 Penn Center Plaza, Suite 1500
Philadelphia, PA 19102

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

20. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take an action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

23. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

24. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

25. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

26. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lessor of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

27. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

28. Common and Restricted Areas.

Tenant at no extra cost may use the common areas of the faculty Lounge.

29. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

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

Berean Institute
Berean Institute
President

6/26/2011
Date

ABO Haven, Inc.
ABO Haven, Inc.
President

4/20/11
Date

EXHIBIT C



pennsylvania
DEPARTMENT OF GENERAL SERVICES

FedEx and First Class Mail

September 7, 2012

Argo L. Simpkins
President and CEO
ABO Haven, Inc.
1010 Spring Garden Street
Philadelphia, PA 19123

Re: Permission to Occupy
1901 West Girard Avenue
Philadelphia, PA 19130

Dear Ms. Simpkins:

The Commonwealth of Pennsylvania, acting by and through the Department of General Services and the Department of Education ("the Commonwealth"), is in the process of taking the steps necessary to remove The Berean Institute (hereafter "Berean") from the Commonwealth property located at 1901 West Girard Avenue, Philadelphia, PA 19130 (interchangeably the "Premises").

ABO Haven, Inc. (hereafter "ABO Haven"), pursuant to a putative sublease with Berean, currently has a presence at the premises where it provides workforce development, education and training services to the Greater Philadelphia Region. Also with a presence at the premises are other non-Berean entities, such as a church, a food bank and a recreation entity who have a similar focus on community outreach and development.

The purpose of this letter is for the Commonwealth to (1) grant permission to ABO Haven, Inc. to occupy the premises as the primary tenant, subject to the conditions listed below regarding indemnification and insurance, at the cost of \$9,000 per month payable to the Commonwealth. ABO Haven will at its sole discretion permit, oversee and be generally responsible for those non-Berean entities currently located at the premises to continue providing community outreach and development services at the premises as temporary sub-tenants to ABO Haven; and (2) express the Commonwealth's intent to enter into a more permanent lease agreement with ABO Haven regarding the premises. This future lease agreement may include an option for ABO Haven to purchase the premises (such option to strictly be conditioned upon approval by the Legislature).

It is the intention of the parties to permit ABO Haven and the other current sub-tenants of Berean to remain on the premises at least temporarily so as not to disrupt the community services that each provides. ABO Haven shall be the tenant and these other non-Berean entities shall be ABO Haven's sub-tenants, should those non-Berean entities so desire, for at least the next 90 days so as not to disrupt those non-Berean entities and the community services they provide. Those non-Berean entities will be responsible for entering into sub-leases with ABO Haven for that period of time, or shorter. In no event shall any non-Berean entity have a sub-lease for a longer duration than any lease that is entered into between ABO Haven and the Commonwealth for the premises.

Until such time that a lease agreement can be executed as between ABO Haven and the Commonwealth, the Commonwealth hereby grants permission to ABO Haven to occupy the premises subject to the following:

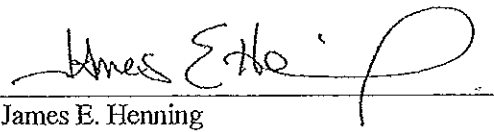
Argo L. Simpkins
ABO Haven, Inc.
September 7, 2012
Page 2

ABO Haven agrees to indemnify, defend, and hold harmless the Commonwealth of Pennsylvania and all its officers, agents, and employees from any and all suits, claims, and actions of every name, nature, and description brought against them for or on account of any damages, loss, liabilities, or injuries arising out of or related to its entry upon or any other actions taken by ABO Haven, the non-Berean entities who sub-lease, or any of their respective employees, agents, representatives, including contractors or subcontractors, with respect to the premises.

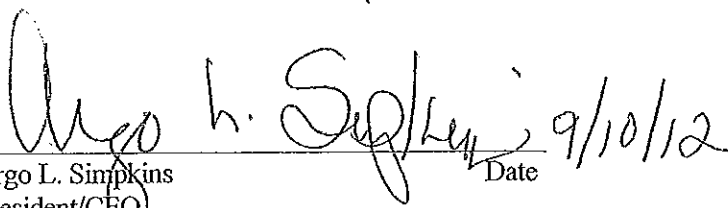
ABO Haven, at its own expense, shall provide and maintain for the benefit of the Commonwealth of Pennsylvania and itself and the non-Berean entities who sub-lease, as their respective interests may appear, adequate insurance in amounts satisfactory to the Commonwealth of Pennsylvania with responsible insurance companies licensed to do business in the Commonwealth of Pennsylvania insuring public liability coverage in the amount of at least \$250,000 per person and \$1,000,000 per occurrence, combined single limit liability for bodily injury and property damage with the Commonwealth of Pennsylvania named as additional insured throughout the term of this provision. ABO Haven, Inc., its insurance agent, or insurance company must forward evidence of the aforementioned insurance coverage to the Department of General Services, Bureau of Real Estate, 500 North Office Building, Harrisburg, Pennsylvania, 17125, immediately upon the execution of this permission to enter, indemnification and insurance provision. ABO Haven or its insurance agency or insurance company shall notify the Department of General Services at least 30 days prior to any change, transfer, or cancellation of the aforementioned insurance coverage. This permission to occupy shall be effective for 90 days following the date of signature below of ABO Haven and may be continued at the sole discretion of the Commonwealth to allow sufficient time for a lease agreement as between ABO Haven and the Commonwealth to be fully executed.

Please sign below to acknowledge your acceptance of these conditions.

Sincerely,



James E. Henning
Deputy Secretary for Administration
Department of General Services



Argo L. Simpkins
President/CEO
ABO Haven, Inc.

Date

9/10/12

EXHIBIT D



pennsylvania
DEPARTMENT OF GENERAL SERVICES

February 19, 2013

Argo Simpkins, President and CEO
ABO Haven, Inc.
1010 Spring Garden Street
Philadelphia, PA 19123

Re: Lease #LML-2013-1
Former Berean Institute Property
Philadelphia, PA

Dear Ms. Simpkins:

Enclosed please find a copy of the fully executed Lease and Option to Purchase Agreement between the Department of General Services and ABO Haven, Inc. for your files. Please be advised that the lease is effective as of February 18, 2013 and, therefore, the first month's rent is due and payable to the Commonwealth of Pennsylvania immediately. Rent will be due on or before the 18th of each preceding month.

Should you have any questions, please do not hesitate to contact me.

Regards,

Bradley J. Swartz, Chief
Real Estate Acquisitions and Dispositions
Bureau of Real Estate

cc: Honorable Michael Walsh (w/enclosure)
Eric Chubb (w/enclosure)
Andrew Clark, Esquire
Elizabeth Woods
File

Bureau of Real Estate

500 North Office Building | Harrisburg, PA 17125-001 | 717.705.5764 | F 717.783.0570 | www.dgs.state.pa.us

LEASE AND OPTION TO PURCHASE AGREEMENT

LML-2013-1

THIS LEASE AND OPTION TO PURCHASE AGREEMENT ("Lease"), made and entered into this 18th day of February, 2013, by and between the COMMONWEALTH OF PENNSYLVANIA, acting by and through its Department of General Services, 515 North Office Building, Harrisburg, Pennsylvania 17125, hereinafter referred to as "Lessor", and ABO Haven, Inc., a not-for-profit corporation with a business address of 1010 Spring Garden Street, Philadelphia, PA 19123, hereinafter referred to as "Lessee".

WHEREAS, Lessor owns the grounds and buildings known as the former Berean Institute located at 1901-1945 West Girard Avenue, Philadelphia, PA 19130 (the "Property"), which is not, at this time, being used in connection with the work of any department, board or commission of the Commonwealth of Pennsylvania; and

WHEREAS, Section 2402(i) of the Administrative Code of 1929, 71 P.S. § 632(i), authorizes the Department of General Services, with the approval of the Governor, to rent real estate not being used in connection with the work of any department, board or commission; and

WHEREAS, Lessee wants to lease the Property for the purpose of operating a workforce development, education and training program for the residents of the Greater Philadelphia Region.

NOW THEREFORE, intending to be legally bound hereby and subject to the following terms, covenants, stipulations, and conditions the parties agree as follows:

1. **Lease of Premises.** Lessor hereby leases to Lessee and Lessee takes from Lessor the grounds and buildings of the former Berean Institute as described at Exhibit "A", and hereinafter collectively referred to as the "Premises" for the term of ^{6 months} 2 years to begin on the Commencement Date of the Lease together with any renewal options set forth herein. (P)

2. **Use.** During the term of the lease, Lessee shall use and occupy the Premises continuously as a workforce development, education and training program for the residents of the Greater Philadelphia Region and for no other purpose without the prior written consent of the Lessor.

Lessee shall have the sole responsibility to comply with all Federal, State, and Municipal laws, ordinances and regulations, including, but not limited to, the requirements of the Pennsylvania Uniform Construction Code, in its use and occupancy of the Premises.

Lessee shall continuously and without interruption operate its program during the term of this lease on the terms set forth herein. No elimination or substantial curtailment to the above requirements may be made without the prior written approval of Lessor, which approval may be withheld at the sole discretion of Lessor.

3. **Rent.** \$9,000 per month (Rental amount). Lessee can offset up to \$6,000 from the Rental Amount (Offset Amount) by showing proof to the Lessor that the Offset Amount was spent on maintenance or repairs to the leased premises (the term "maintenance" for these purposes can include any upkeep to the premises other than custodial services, grounds keeping, and parking lot/sidewalk snow removal). Lessee shall provide an itemized listing, to include receipts, to the Lessor reflective of the Offset Amount. The Offset Amounts

accumulated during the term of this lease, to include any and all one-month renewals, will be deducted from the purchase price of the building should legislation be passed authorizing the sale of the premises to Lessee for Fair Market Value.

4. Effective Date and Term of Lease.

a. **Effective Date** - The effective date of this Lease Agreement shall be the date upon which the Secretary of General Services executes this Lease.

b. **Initial Term** - The initial term of this Lease Agreement shall be six (6) months ("Initial Term") and shall commence on February 18, 2013 (the "Commencement Date").

c. **Renewal Options** - This Lease may be renewed by the mutual agreement of the Lessor and Lessee on a month-to-month basis. Either party shall provide thirty (30) days written notice to effectuate the cancellation of the month-to-month renewal periods. The Initial Term together with any renewal terms may collectively be referred to as the "term".

5. Condition of the Premises. Lessee agrees to accept the Premises in an "as-is", "where-is" condition. Lessee agrees that DGS extends no warranty of any kind, express or implied, in regard to the Premises as to its suitability or fitness for any specific use.

6. Lessee Alterations and Additions; Personal Property.

a. **Prior Consent** - Lessee shall not make any alteration of or addition to the Premises without the prior written approval of Lessor, which approval for non-structural alterations or additions shall not unreasonably be delayed, withheld or conditioned.

b. **Plans and Specifications** - Any and all Lessee alterations and additions to the Premises shall be performed in accordance with plans and specifications prepared by a Pennsylvania licensed architect and/or engineer. Lessee shall submit the plans and specifications to Lessor. Prior to initiation of construction, the plans and specifications must be approved by Lessor. Any and all alterations to the Premises shall be performed in a good and workmanlike manner, in conformity with all laws, rules, ordinances and other requirements of all governmental or quasi-governmental authorities having jurisdiction, and in accordance with all terms and conditions of this Lease Agreement. Lessor reserves the right to specify standards, which must be maintained for any alterations and additions to the Premises.

c. **Costs and Expenses** - Lessee is responsible for all costs and expenses associated with any Lessee alterations or additions.

d. **Compliance with Law** - Lessee shall be required to comply with Pennsylvania law governing the contracting for the construction, alteration or repair of a public building, including, but not limited to, the Prevailing Wage Act, Steel Products Procurement Act, and the Uniform Construction Code.

e. **Insurance** - Prior to commencement of any alterations and additions, Lessee shall require contractors and subcontractors to provide proof of liability insurance coverage, through a certificate of insurance showing liability coverage of \$1,000,000.00 single limit liability for each person and \$3,000,000.00 per occurrence. A loss payable

endorsement shall be part of this policy indicating that all loss proceeds shall be payable to the *Commonwealth of Pennsylvania*. Such policies shall be occurrence rather than claims-made policies and shall name the Commonwealth of Pennsylvania as an additional insured. Lessee or the contractor must forward evidence of the aforementioned liability insurance coverage to the Bureau of Real Estate/Real Estate Acquisitions and Dispositions Division, Department of General Services, Room 503 North Office Building, Harrisburg, Pennsylvania, 17125, prior to commencement of any alterations and additions. The policy must require at least thirty days prior written notice to Lessor prior to any change, transfer, or cancellation of the aforementioned insurance coverage.

f. **No Liens** - To the fullest extent permitted by law, all Lessee contracts for alterations and additions must include a "No-Lien" clause requiring that the Premises be kept free from mechanics' or materialmen's liens and that the parties must file the necessary documentation in the appropriate public offices to effectuate the waivers of contractors', mechanics' and materialmen's liens.

g. **Asbestos Removal** - In the event that friable asbestos is identified on the Premises after the Commencement Date and during any alteration or addition undertaken by Lessee, Lessee shall either encapsulate or remove and properly dispose of the identified friable asbestos. Friability shall be defined consistently with the Federal regulations in effect at any time during the term of the Lease Agreement. The standard for protection of workers engaged in asbestos removal or encapsulation shall meet the applicable Federal and State regulations in effect at the time that the removal and/or encapsulation are effected. Lessee further agrees to protect, indemnify and save harmless Lessor from and against any and all liabilities, losses, damages, costs, expenses, causes of action, suits, claims, demands or judgments of any nature arising from any injuries to, or the death of any person growing out of or connected with the disturbance of encapsulated asbestos in the demised premises by Lessee, its officials, employees, agents, clients and visitors and the resulting presence of friable asbestos in the Premises and from the placement by Lessee of asbestos materials in the Premises.

h. **Ownership** - Any and all alterations and additions made to the Premises by either Lessee or Lessor, with the exception of any Lessee installed telephone, computer or security systems, shall become part of the real estate and become the property of Lessor upon termination or expiration of this Lease Agreement.

i. **Removal** - Lessee shall, at the expiration or termination of this Lease Agreement, remove Lessee's trade fixtures and other personal property which can be removed without material damage to the Premises and shall likewise remove such alterations and additions made to the Premises by Lessee with Lessor's approval to the extent that Lessor's approval of the installation required Lessee to remove the alteration or addition upon expiration or termination of the Lease Agreement as a condition for such approval.

7. Right of Entry. After the Commencement Date, Lessee shall give Lessor, and any party acting under the authority of Lessor, access to the Premises at reasonable times, without charge or diminution of rent and upon reasonable prior notice from Lessor to Lessee (except that no prior notice shall be required in an emergency), to enable Lessor:

a. To examine the Premises and take any appropriate measure (including inspections, repairs, additions and alterations and improvements to the Premises) as Lessor determines is necessary for the preservation of the integrity, safety and good

order of the Premises or any part thereof, or as may be necessary or desirable in the operation or improvement of the Premises or to comply with laws, orders and requirements of governmental or other authorities; and

b. To show the Premises to prospective purchasers, lessees, brokers, surveyors, appraisers, contractors and others who may be involved in the potential sale or future lease of the Premises.

8. **Traffic Control and Security.** Lessee shall be responsible for the security of the leased premises.

9. **Maintenance, Repairs and Grounds Keeping.** During the term of this Lease Agreement, Lessee shall, at its sole cost and expense, as subject to the Offset Amount set for the in Paragraph 3, maintain in good order, condition and repair, reasonable wear and tear and casualty loss excepted, the Premises, which shall also expressly include the parking lots and all roads, sidewalks, and driveways on the Premises, and all fixtures and appurtenances located within the Premises. All repairs, replacements and alterations made by Lessee shall be at least sufficient to maintain the Premises during the Term of the Lease Agreement in as good condition and repair as was the Premises at the Commencement Date, reasonable wear and tear excepted. During the term of the Lease Agreement, all grounds keeping of the Premises shall be the responsibility of Lessee. Lessee shall be responsible for all snow removal on the Premises and adjacent sidewalks. Lessee agrees to maintain and operate the Premises and adjacent sidewalks in accordance with all applicable laws and to keep the Premises in a clean, safe, and healthful condition and upon termination of this Lease Agreement will insure that the Premises are left in a clean, safe, and healthful condition.

10. **Utilities.** Lessee shall be responsible for and shall pay for all utilities, including, without limitation, electricity, gas, water, sewer, and telephone. Lessee shall pay the utility companies directly on or before the due date of each respective utility billing.

11. **Taxes.** Lessor is immune from the payment of real estate taxes and use and occupancy taxes. If any relevant taxing authority deems the use of the Premises by Lessee to cause the Premises to become taxable, Lessee shall be completely responsible for the timely payment of any tax levied. Payment may be temporarily withheld if Lessee is, in good faith, contesting the assessment or tax in a court of competent jurisdiction.

12. **Occupancy.**

a. **Conditions of Occupancy** - Lessee shall be permitted to enter and occupy the Premises only after proof of adequate liability and property insurance is provided to DGS.

b. Lessee shall occupy and possess the Premises continuously during the term of this Lease Agreement.

13. **Holding Over.** If Lessee fails to surrender possession of the Premises upon the termination of this Lease, such holding over shall not be deemed a renewal or extension of this Lease, unless Lessor, in its sole discretion, elects to extend the tenancy for a set period, in which event Lessee shall not be released from any further costs, damages or liabilities whether direct, indirect or consequential, suffered by Lessor and occasioned by Lessee's extension, and

Lessee agrees to indemnify and hold Lessor harmless therefrom. The provisions of this Section shall survive the expiration or sooner termination of this Lease.

14. Assumption of Risk. Lessee shall defend, indemnify, save and hold harmless ("Indemnify") Lessor and its agents, employees, officers, directors, shareholders, and partners from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and expenses, including reasonable attorney's fees, court costs, administrative costs, and costs of appeals which may be imposed upon or incurred by or asserted by reason of any of the following which shall occur during the Term of this Lease, or during any period of time prior to the Commencement Date when Lessee may have been given access to or possession of all or any portion of the Premises:

- a. Any work or act done in, on or about the Premises or any part thereof at the direction of or caused by Lessee, its agents, contractors, subcontractors, employees, licensees or invitees.
- b. Any negligence or other wrongful act or omission on the part of Lessee or any of its agents, contractors, subcontractors, employees, sublessees, licensees or invitees.
- c. Any accident, injury or damage to any persons or property occurring in, on or about the Premises or any part thereof, unless caused by the gross negligence of Lessor, its employees or agents; and
- d. Any failure on the part of Lessee to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Lease Agreement.

The obligation of Lessee to assume the risks contained in this Paragraph 14 shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Lessee, its agents or contractors under workers' compensation acts, disability benefit acts or other employee benefits acts, or under any other insurance coverage Lessee may obtain.

15. Insurance. Lessee, at its own expense, shall provide and maintain for the benefit of the Lessor and itself, as their respective interests may appear, adequate insurance in amounts satisfactory to Lessor with responsible insurance companies licensed to do business in the Commonwealth of Pennsylvania insuring: (a) public liability coverage in the amount of at least \$1,000,000.00 single limit liability for each person and \$3,000,000.00 per occurrence; and (b) the building and improvements upon the Premises; against the loss or damage by fire, perils of extended coverage, vandalism and malicious mischief, in an amount of at least \$8,500,000. A loss payable endorsement shall be part of this policy indicating that all loss proceeds shall be payable to the Commonwealth of Pennsylvania. Such policies shall be occurrence rather than claims-made policies and shall name the Commonwealth of Pennsylvania as an additional insured. Lessee or his/her insurance agent or company must forward evidence of the aforementioned liability insurance coverage to the Bureau of Real Estate/Real Estate Acquisitions and Dispositions Division, Department of General Services, Room 503 North Office Building, Harrisburg, Pennsylvania, 17125, prior to occupancy. Lessee or its insurance agent or company shall notify Lessor at least 1 month prior to any change, transfer, or cancellation of the aforementioned insurance coverage. Any attempt or action to change such insurance without the written approval of Lessor shall be deemed ineffective.

16. **Damage or Destruction of the Premises.**

a. If the Premises or any structures or improvements on the Premises should be damaged or destroyed by fire, flood, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

b. If the Premises are totally destroyed by fire, flood, or other casualty, or if the Building or Premises should be so damaged by such a cause that, in Lessor's reasonable judgment: (1) rebuilding or repairs cannot be completed within one hundred twenty (120) working days; (2) the cost of rebuilding or repairs will exceed \$1,000,000; and (3) Lessee cannot continue to occupy the Premises because of the damage and the need for rebuilding or repair, then:

(1) Lessor shall take steps to make the property safe; and

(2) The insurance proceeds shall be paid to DGS to cover the replacement value of the destroyed buildings and improvements and to cover DGS costs and expenses in making the property safe; and

(3) This Lease Agreement shall terminate unless Lessor and Lessee mutually agree on terms and conditions continuing or modifying this Lease

c. If the Premises are damaged by fire, flood, or other casualty, but only to the extent that rebuilding or repairs can, in Lessor's reasonable judgment, reasonably be completed within one hundred twenty (120) days, so that Lessee can reoccupy all or substantially all of the Premises, and at a cost not to exceed \$1,000,000, this Lease Agreement shall not be terminated if the damage or destruction of the leased Premises occurs prior to the final six months of the current term of the Lease Agreement in which case Lessor shall proceed immediately to rebuild or repair the damaged buildings and improvements to substantially the condition in which they existed prior to such damage; provided, however, that Lessor shall not be required to expend monies in excess of insurance proceeds made available by Lessee's insurance carrier (or by Lessee) to Lessor for such purpose.

d. This Lease may be terminated if the insurance proceeds to be applied to or made available for the restoration of the Premises are not sufficient to restore the Premises to substantially its condition prior to the casualty, in which case, Lessor need not rebuild or repair the Premises and shall notify Lessee in writing of its intention not to rebuild or repair. If Lessor elects not to rebuild or repair the Premises and the Premises are unable to be substantially reoccupied by Lessee following such damage, Lessee may elect to terminate the Lease by notice to Lessor provided the insurance proceeds shall be paid to Lessor to cover the damage to the buildings and improvements and to cover Lessor's costs and expenses in making the property safe. Upon such notification and payment, all rights and obligations under this Lease shall cease.

e. If the Premises are damaged by fire, flood, or other casualty, which are the fault of Lessee or any person in or about the Premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot, in Lessor's reasonable judgment, reasonably be completed with one hundred twenty (120) working days and at a cost not to exceed \$1,000,000, this Lease Agreement shall not be

terminated and Lessee shall pay to Lessor such amount that will cover all rebuilding and repairs of the damaged buildings and improvements and to cover Lessor's costs and expenses incurred as a result of the casualty.

17. **Default.** The occurrence of any of the following shall, at Lessor's sole discretion, constitute a material default and breach of this Lease by Lessee (a "Default"):

a. Lessee does not pay in full when due any installment of Rent or any other charge or payment whether or not herein included as Rent, and such failure to pay is not cured within ten (10) days following Lessee's receipt of notice from Lessor thereof; provided, however, that Lessor shall only be obligated to give Lessee notice of failure to pay Rent two (2) times during any twelve (12) consecutive calendar months. Thereafter, for the duration of such twelve (12) calendar months, lessee shall be in default immediately upon Lessee's failure to pay in full, when due, any installment or payment of Rent, without benefit of such notice and grace period.

b. Lessee violates or fails to perform or otherwise breaks any covenant, agreement or condition contained in this Lease, other than those specifically addressed elsewhere in this Section 20, or any other obligation of Lessee to Lessor, and such violation or failure continues for thirty (30) days after receipt of notice thereof from Lessor, provided that if such violation or failure is not susceptible of being cured or corrected within the aforesaid thirty (30) day period, then if Lessee shall have commenced such cure within the aforesaid thirty (30) day period and diligently and continuously prosecuted same to completion, Lessee shall have such additional time (not to exceed sixty (60) days in the aggregate) as Lessee may reasonably require to complete such cure, unless Lessor reasonably determines that such additional time would materially jeopardize the Premises, in which event Lessor may require Lessee to complete such cure within the aforesaid thirty (30) day period.

c. Lessee does not maintain in full force and effect throughout the Term all insurance which Lessee is required to maintain pursuant to this Lease.

d. Lessee does not occupy the Premises within thirty (30) days after the Lease Commencement Date.

e. Lessee removes or attempts to remove Lessee's property from the Premises other than in the ordinary course of business or upon termination of this Lease, without having first paid to DGS in full all Rent and any other charges that may have become due; provided however, that so long as Lessee is current in its obligations to pay Rent and other charges that may be due, such removal or attempt to remove shall not constitute an Event of Default.

f. Lessee fails to deliver a requested estoppel statement within the time period required pursuant to this Lease.

g. Lessee makes an assignment of its rights under this Lease or enters into any sublease (or purports to do so) in violation of the terms of this Lease.

h. Lessee becomes the subject of commencement of any involuntary case under the federal bankruptcy law as now or hereafter constituted, or there is filed a petition against Lessee seeking reorganization, arrangement, adjustment or composition or in

respect of Lessee the federal bankruptcy law as now or hereafter constituted, or under any other applicable federal or state bankruptcy, insolvency, reorganization or other similar law, or seeking the appointment of a receiver, liquidator or assignee, custodian, trustee, sequestrator (or similar official) of Lessee or any substantial part of the property of either Lessee, or seeking the winding-up or liquidation of its affairs and such involuntary case or petition is not stayed or dismissed within sixty (60) days after the filing thereof, or if Lessee commences a voluntary case or institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, under the federal bankruptcy laws as now or hereafter constituted, or any other applicable federal or state bankruptcy, reorganization or insolvency or other similar law, or consents to the appointment of or taking possession by a receiver or liquidator or assignee, trustee, custodian, sequestrator (or other similar official) of Lessee or of any substantial part of its property, or makes any assignment for the benefit of creditors, or admits in writing its inability to pay its debt generally as they become due, or fails to generally pay its debts as they become due, or if Lessee takes any action in contemplation of any of the foregoing.

i. Any material misrepresentation by Lessee in this Lease, or material misrepresentation or omission in any financial statements or other materials provided by Lessee in connection with negotiation or entering this Lease or in connection with any sublease or assignment of this Lease.

j. Failure by Lessee to comply with the same term or condition of this Lease on three occasions during any twelve-month period shall cause any failure to comply with such term or condition during the succeeding twelve-month period, at Lessor's option, to constitute an incurable Event of Default, if Lessor has given Lessee notice of each such prior failure within thirty (30) days after each such failure occurred. The notice and cure periods provided herein are in lieu of, and not in addition to, any notice and cure periods provided by law.

18. **Lessor's Remedies.** Upon the occurrence of a Default, and at the sole discretion of Lessor, in addition to all remedies Lessor may have at law or in equity, none of which are mutually exclusive,

a. Lessee shall be and remain liable to Lessor for damages computed in accordance with Sections 16 and 19, and/or

b. The term of this Lease shall terminate and become absolutely void, without notice and without any right on the part of Lessee to save the forfeiture by payment of any sum due or by other performance of any condition, term, agreement or covenant broken, and/or

c. ANY PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD IS HEREBY IRREVOCABLY AUTHORIZED AND EMPOWERED TO APPEAR FOR LESSEE IN ANY ACTION TO CONFESS JUDGMENT AGAINST LESSEE, AND MAY SIGN FOR LESSEE AN AGREEMENT, FOR WHICH THIS LEASE SHALL BE HIS SUFFICIENT WARRANT, FOR ENTERING IN ANY COMPETENT COURT AN ACTION OR ACTIONS IN EJECTMENT, AND IN ANY SUITS OR IN SAID ACTIONS TO CONFESS JUDGMENT AGAINST LESSEE AS WELL AS ALL PERSONS CLAIMING BY, THROUGH OR UNDER LESSEE FOR THE RECOVERY BY LESSOR

OF POSSESSION OF THE PREMISES. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ANY ONE OR MORE EXERCISES THEREOF, BUT JUDGMENT MAY BE CONFESSED FROM TIME TO TIME AS OFTEN AS ANY EVENT SET FORTH IN THIS LEASE SHALL HAVE OCCURRED OR BE CONTINUING. SUCH POWERS MAY BE EXERCISED DURING AS WELL AS AFTER THE EXPIRATION OR TERMINATION OF THE ORIGINAL TERM AND DURING AND AT ANY TIME AFTER ANY EXTENSION OR RENEWAL OF THE TERM, AND/OR

d. IF LESSEE SHALL DEFAULT IN THE PAYMENT OF RENT RESERVED OR PAYABLE HEREUNDER OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY LESSEE, LESSEE HEREBY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR LESSEE IN ANY AND ALL ACTIONS WHICH MAY BE BROUGHT FOR SAID RENT AND SAID OTHER SUMS; AND TO SIGN FOR LESSEE AN AGREEMENT FOR ENTERING IN ANY COMPETENT COURT AN ACTION OR ACTIONS FOR THE RECOVERY OF SAID RENT AND OTHER SUMS, AND IN SAID SUITS OR IN SAID ACTION OR ACTIONS TO CONFESS JUDGEMENT AGAINST LESSEE FOR ALL OR ANY PART OF SAID RENT AND SAID OTHER SUMS, INCLUDING, BUT NOT LIMITED TO, THE AMOUNTS DUE FROM LESSEE TO LESSOR UNDER EACH OF THE SUBSECTIONS OF THIS SECTION AND FOR INTEREST AND COSTS, TOGETHER WITH A REASONABLE ATTORNEY'S COMMISSION FOR COLLECTION OF NOT LESS THAN FIVE THOUSAND DOLLARS (\$5,000). SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEROF, BUT JUDGMENT MAY BE CONFESSED AS AFORESAID FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENT AND OTHER SUMS SHALL FALL DUE OR BE IN ARREARS AND SUCH POWERS MAY BE EXERCISED AS WELL AFTER THE EXPIRATION OF THE TERM OF THIS LEASE, AND/OR

e. In any confession of judgment against Lessee hereunder, Lessor shall cause to be filed in such action an affidavit setting forth the facts necessary to authorize the entry of judgment and if a true copy of this Lease (and of the truth of the copy, such affidavit shall be sufficient proof) be filed in such action, it shall not be necessary to file the original as a warrant of attorney, notwithstanding any law, rule of court, custom or practice to the contrary. Lessee releases to Lessor, and to any and all attorneys who may appear for Lessee, all procedural errors in any proceedings taken by Lessor, whether by virtue of the powers of attorney contained in this Lease or not, and all liability therefore. Lessee expressly waives the benefits of all laws, now or hereafter in force, exempting any property within the Premises or elsewhere from distraint, levy or sale. Lessee further waives the right to any notice to remove as may be specified in the Pennsylvania Landlord and Tenant Act of April 6, 1951, as amended, or any similar or successor provision of law and agrees that five (5) days notice shall be sufficient in any case where a longer period may be statutorily specified, and/or

f. After re-entry or retaking or recovering of the Premises, whether by way of termination of this Lease or not, Lessor may, in Lessor's sole discretion, lease the Premises or any part or parts thereof to such person or persons and upon such terms as may in Lessor's discretion seem best for a term within or beyond the term of this Lease, and Lessee shall be liable for any loss of Rent for the balance of the term and any renewal or extension for which Lessee has become bound plus the costs and expenses of reletting and of making repairs and alterations to the Premises. Further, Lessee, for itself and its successors and assigns, hereby irrevocably constitutes and appoints Lessor

as Lessee's agent to collect the rents due and to become due from all subleases and apply the same to the Rent due hereunder without in any way affecting Lessee's obligation to pay any unpaid balance of Rent due or to become due hereunder; and/or

g. Lessor may (but shall not be obligated to do so), in addition to any other rights it may have in law or equity, cure such default on behalf of Lessee, and Lessee shall reimburse Lessor upon demand for all costs incurred by Lessor in curing such default, including, without limitation, reasonable attorney's fees and other legal expenses, together with interest thereon at the Lease Interest Rate, which costs and interest thereon shall be deemed Additional Rent hereunder.

19. **Damages.**

a. *Without Termination.* If Lessor shall not elect to terminate this Lease pursuant to Section 18 above, notwithstanding reentry upon the Premises by Lessor and in addition to and without limiting Lessor's right to other damages, upon the occurrence of a Default, Lessee shall be and remain liable to Lessor in an amount computed as follows:

(1) an amount equal to the sum of all Rent then in arrears plus the aggregate of all Rent which is payable under this Lease for the balance of the Term, computed as if no Default had occurred and any reentry had not been made (including, without limitation, Lessee's Tax Share of Real Estate Taxes and Lessee's Expense Share of Operating Expenses which would be owing for the remainder of the Term, as reasonably estimated by Lessor); plus

(3) all costs and expenses incurred by Lessor in connection with the Default and any reletting of the Premises, including, without limitation, (i) costs of reentry, repair and renovation, (ii) the value of all inducements granted or paid to new Lessees of the Premises in connection with reletting including, without limitation, construction allowances and the value of rent-free periods, (iii) brokers' commissions and advertising expenses, (iv) watchman's wages and any sheriff's, marshal's, constable's or other officials' commissions, whether chargeable to Lessor or Lessee, and (v) attorney's fees, costs and expenses; plus

(4) interest accrued on the aggregate of the aforesaid sums from the date each was payable (or, with respect to sums owing under clause (b) from the date each was incurred by Lessor) until paid by Lessee (whether before or after judgment) at the Lease Interest Rate.

20. **Surrender of Possession.** Upon the termination or expiration of this Lease Agreement, Lessee agrees to surrender possession and occupancy of the Premises with all alterations or additions (except to the extent Lessor has identified Lessee alterations or additions to be removed by Lessee as a condition of Lessor's approval for the alteration or addition), in broom-clean condition and in good order and repair except for damage for which Lessee is not obligated to make repairs under this Lease Agreement. Lessee shall have the right to remove any personal property and trade fixtures. Lessee shall surrender the Premises to Lessor at the end of the term or upon sooner termination without notice of any kind, and Lessee waives all right to any such notice as may be in effect in Pennsylvania. The provisions of this paragraph shall survive the expiration or termination of this Lease Agreement. Said surrender shall be consistent with all applicable terms, conditions and covenants of this Lease Agreement.

21. **Quiet Enjoyment:** If and so long as Lessee observes and performs all of the covenants, conditions and provisions on Lessee's part to be observed and performed hereunder, Lessee shall and may peaceably and quietly have, hold and enjoy the Premises for the Term, subject nevertheless to all of the provisions of this Lease.

22. **Sub-leasing and assignment.** Lessee shall not assign this Lease Agreement. Lessee will be allowed to enter into subtenant agreements with permission from the Lessor for each sublease. The total monthly amount received by Lessee from subtenants of the leased premises cannot exceed \$18,000 per month. The amount of each subtenant's monthly rental obligations will be at Lessee's discretion subject to the provision that the total amount of monthly subtenant rental payments cannot exceed \$18,000.

23. **Contractor Integrity Provisions.** Included in and made a part of this Lease Agreement is *Exhibit "B"* (attached), a clause regarding Contractor Integrity by Lessee. It shall be understood that the word "Contractor" as used in *Exhibit "B"* shall refer to Lessee.

24. **Non-Discrimination Clause.** Included in and made a part of this Lease Agreement is *Exhibit "C"* (attached), a clause regarding non-discrimination by Lessee. It shall be understood that the word "Contractor" as used in *Exhibit "C"* shall refer to Lessee.

25. **Americans With Disabilities Act Clause.** Included and made a part of this Lease Agreement is *Exhibit "D"* (attached), a clause regarding compliance with the Americans With Disabilities Act by Lessee. It shall be understood that the word "Contractor" as used in *Exhibit "D"* shall refer to Lessee.

26. **Contractor Responsibility Provisions Clause.** Included and made a part of this Lease Agreement is *Exhibit "E"* (attached), a clause regarding Contractor Responsibility by Lessee. It shall be understood that the word "Contractor" as used in *Exhibit "E"* shall refer to Lessee. It shall also be understood the signature of Lessee on this Lease Agreement shall constitute the written certification required by the Contractor Responsibility Provisions (*Exhibit "E"*).

27. **Additions to Special Requirements (Exhibit "F").** Intentionally omitted.

28. **Notice.** Any notice or demand from Lessee to Lessor or from Lessor to Lessee shall be in writing and shall be delivered by hand or by deposit in the United States Mail, postage prepaid, via registered or certified mail. If to Lessor, in an envelope addressed to the attention of:

Department of General Services
Bureau of Real Estate
503 North Office Building
Harrisburg, PA 17125
ATTN: Chief, Real Estate Acquisitions and Dispositions Division

If to Lessee, in an envelope addressed to the attention of:

ABO Haven, Inc.
1010 Spring Garden Street
Philadelphia, PA 19123
ATTN: President and CEO

Any such document shall be deemed delivered upon receipt of the hand delivery or within 3 days of the date of mailing as evidenced by the postmark.

29. Right-to-Know.

a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, applies to this Agreement. For the purposes of these provisions, the term "Commonwealth" shall refer to the Department of General Services.

b. If the Commonwealth needs the Lessee's assistance in any matter arising out of the RTKL related to this Lease, it shall notify the Lessee using the legal contact information provided in this Lease. The Lessee, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

c. Upon written notification from the Commonwealth that it requires the Lessee's assistance in responding to a request under the RTKL for information related to this Lease that may be in the Lessee's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Lessor shall:

1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Lessee's possession arising out of this Lease that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Lease.

d. If the Lessee considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Lessee considers exempt from production under the RTKL, the Lessee must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Lessee explaining why the requested material is exempt from public disclosure under the RTKL.

e. The Commonwealth will rely upon the written statement from the Lessee in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Lessee shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

f. If the Lessee fails to provide the Requested Information within the time period required by these provisions, the Lessee shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Lessee's failure, including any statutory damages assessed against the Commonwealth.

g. The Commonwealth will reimburse the Lessee for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

h. The Lessee may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania courts, however, the Lessee shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Lessee's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Lessee agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

i. The Lessee's duties relating to the RTKL are continuing duties that survive the expiration of this Lease and shall continue as long as the Lessee has Requested Information in its possession.

30. Disputes. In the event of a controversy or claim arising from this Lease, Lessee must, within six (6) months after the cause of action accrues, file a written claim with the Director of the Bureau of Real Estate, Department of General Services, for a determination. The claim shall state all grounds upon which Lessee asserts a dispute exists. If the Lessee fails to file a claim or files an untimely claim, the Lessee is deemed to have waived its right to assert a claim in any forum.

The Director of the Bureau of Real Estate, Department of General Services, shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of Lessee and the Lessor. The Director of the Bureau of Real Estate shall send his/her written determination to Lessee. If the Director of the Bureau of Real Estate fails to issue a final determination within 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The determination of the Director of the Bureau of Real Estate shall be the final order of the Department of General Services.

Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, Lessee may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, Lessee shall proceed diligently with the performance of this Lease in a manner consistent with the determination of the Director of the Bureau of Real Estate, and Lessee shall compensate the Lessor pursuant to the terms of the Lease.

31. **Applicable Law.** This Lease Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. Lessee consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any Federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. Lessee agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

32. **General.** Lessee's performance is subject to existing laws and legal process, and nothing contained in this Lease Agreement is in derogation of Lessee's right to comply with governmental, court and law enforcement requests or requirements relating to this Lease Agreement. If any provision of this Lease Agreement is determined to be invalid or unenforceable pursuant to applicable law, then the invalid or unenforceable provision will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of the Lease Agreement.

33. **Option to Purchase.**

a. Lessor hereby grants to Lessee an option to purchase the Property, which shall be exercisable by Lessee only if the General Assembly of Pennsylvania authorizes Lessor to convey the Property by enacting enabling legislation. Lessee hereby acknowledges and understands that the authorization of the General Assembly is legally required for Lessor to convey the Property to Lessee; that Lessor's agreement to this provision shall in no way bind the General Assembly to authorize Lessor to convey the Property to Lessee; and that Lessor shall not incur any liabilities if the General Assembly does not authorize Lessor to convey the Property to Lessee.

b. Lessee shall have the right to exercise the option to purchase at any time during the Initial Term by signing and returning the agreement of sale attached hereto as "Exhibit G". All terms and conditions of the purchase option are set forth in the agreement of sale.

c. If Lessee exercises the option to purchase in accordance with this Lease Agreement and the agreement of sale, Lessor shall credit, at settlement, all Offset Amounts made by Lessee pursuant to Paragraph 3 (excluding any operational costs and expenses), against the purchase price. If the Lessee does not exercise the option to purchase, or if the Lessee exercises the option to purchase, but the Pennsylvania General Assembly fails to enact the enabling legislation in accordance with Paragraph 39(a) hereof, there shall be no return of the Offset Amounts by Lessor to Lessee.

d. In the event that Lessee does not exercise the option to purchase, all maintenance, repairs, renovations and/or improvements to the Property become the property of Lessor upon the termination of the Lease.

e. Should the General Assembly not authorize Lessor to convey the Property to Lessee within the one (1) year from the Effective Date of this Lease, the option to purchase shall automatically extinguish.

f. In the event that the Property is conveyed to Lessee, the Lease shall terminate upon the date of settlement.

34. **Integration Clause.** This Lease Agreement, including all referenced Exhibits, constitutes the entire agreement between the parties. No agent, representative, employee, or officer of Lessor or Lessee has authority to make, or has made, any statement, agreement, or representation, oral or written, in connection with this Lease Agreement, which in any way can be deemed to modify, add to, or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of this Lease Agreement. No modifications, alterations, changes, or waiver to this Lease Agreement or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties.

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*Legal Description
Berean Institute Property*

ALL THAT CERTAIN lot or piece of ground with the improvements thereon erected, situate in the 29th Ward of the City of Philadelphia, described according to a Survey and Plan of Property made for the Redevelopment Authority of the City of Philadelphia by Thomas J. Johnston, Surveyor and Regulator of the 3rd District, dated February 1, 1967, as follows, to wit:

BEGINNING at a point of intersection formed by the Easterly side of 20th Street (46 feet wide) and the Northerly side of Girard Avenue (80 feet wide); thence extending North 11 degrees 21 minutes East along the said Easterly side of 20th Street, the distance of 121 feet 1 7/8 inches to a point on the Southerly side of South College Avenue (60 feet wide); thence North 83 degrees 03 minutes 07 seconds East along the said Southerly side of South College Avenue 155 feet 10 7/8 inches to a point; thence South 6 degrees 56 minutes 53 seconds East, 94 feet 10 7/8 inches to a point on the Northerly side of a 3 feet wide alley by deeds, which leads Eastwardly and Westwardly connecting at its Easterly end with a 5 feet wide alley by deeds, which leads Eastwardly; thence South 78 degrees 39 minutes East along the Northerly side of said 3 feet wide alley by deeds and passing through said 5 feet wide alley by deeds 74 feet 9 3/8 inches to a point in the bed of said 5 feet wide alley by deeds; thence North 6 degrees 56 minutes 53 seconds West, partly crossing said 5 feet wide alley by deeds 118 feet 4 5/8 inches to a point on the said Southerly side of South College Avenue; thence North 83 degrees 03 minutes 07 seconds East along the said Southerly side of South College Avenue 192 feet 0 inches to a point on the Westerly side of 19th Street (50 feet wide); thence South 11 degrees 21 minutes West along the said Westerly side of 19th Street 252 feet 8 1/8 inches to a point on the said Northerly side of Girard Avenue; thence North 78 degrees 39 minutes West along the said Northerly side of Girard Avenue 397 feet 8 1/4 inches to a point on the said Easterly side of 20th Street, being the first mentioned point and place of **BEGINNING**.

BEING the same premises acquired by the General State Authority (predecessor to the Pennsylvania Department of General Services) from the Redevelopment Authority of the City of Philadelphia by deed, dated February 27, 1968, and recorded with the Philadelphia Recorder of Deeds at D-041-232.

Exhibit "A to AOS"

CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.
2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.
3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Employees Ethics Act, 65 Pa.C.S. §§ 1101 et seq.*; the *State Adverse Interest Act, 71 P.S. § 776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code § 7.151 et seq.*, or to breach any other state or federal law or regulation.
4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code § 7.151 et seq. or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.
6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to the Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.
9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know-Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:
 - a. Approved in writing by the Commonwealth prior to its disclosure; or
 - b. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or
 - c. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
 - d. Necessary for purposes of Contractor's internal assessment and review; or
 - e. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or
 - f. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or
 - g. Otherwise required by law.
10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:
 - a. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

b. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associate with:

- 1) obtaining;
- 2) attempting to obtain; or
- 3) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- c. Violation of federal or state antitrust statutes.
- d. Violation of any federal or state law regulating campaign contributions.
- e. Violation of any federal or state environmental law.
- f. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- g. Violation of the *Act of June 2, 1915 (P.L. 736, No. 338)*, known as the *Workers' Compensation Act, 77 P.S. 1 et seq.*
- h. Violation of any federal or state law prohibiting discrimination in employment.
- i. Debarment by any agency or department of the federal government or by any other state.
- j. Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641 of the Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

- a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
- b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.
13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.
14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.
15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.
16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.
17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.
 - a. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not

become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through an act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.

- b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.
- c. "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.
- d. "Financial interest" means:
 - (1) Ownership of more than a five percent interest in any business;
 - (2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
- e. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the Governor's Code of Conduct, Executive Order 1980-18, the 4 Pa. Code § 7.153(b), shall apply.
- f. "Immediate family" means spouse and any unemancipated child.
- g. "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.
- h. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

Exhibit "B"

NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

Lessee agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any activity required under the lease agreement or any subcontract, Lessee, each subcontractor, or any person acting on behalf of Lessee or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither Lessee nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.
3. Lessee and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
4. Lessee and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relates.
5. Lessee and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after execution of the lease agreement, Lessee shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. If Lessee has fewer than five employees or its employees are all from the same family or who have completed the Form STD-21 within the past 12 months, it may, within the 15 days, request an exemption from the Form STD-21 submission requirement from the contracting agency.
6. Lessee shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.
7. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place Lessee in the Contractor Responsibility File.

Exhibit "C"

THE AMERICANS WITH DISABILITIES ACT

During the term of this contract, Lessee agrees as follows:

1. Pursuant to federal regulations promulgated under the authority The Americans With Disabilities Act, 28 C.F.R. 35.101 et seq., Lessee understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this contract or from activities provided for under this contract. As a condition of accepting and executing this contract, Lessee agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. 35.130, and all other regulations promulgated under Title 11 of The Americans With Disabilities Act which are applicable to the benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
2. Lessee shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of Lessee's failure to comply with the provisions of paragraph 1 above.

Exhibit "D"

Exhibit "F"
Intentionally Omitted

Exhibit "F"

IN WITNESS WHEREOF the parties hereto have caused this Lease Agreement to be duly executed by their respective authorized officers and officials, and their respective seals affixed as of the day and year first above written.

COMMONWEALTH OF PENNSYLVANIA
Department of General Services

[Signature] 2/18/13
Secretary Date

LESSEE:
ABO Haven, Inc.

[Signature]
Argo L. Simpkins
Title: President and CEO

Secretary/Treasurer

APPROVED:
[Signature]
For Governor

APPROVED AS TO FORM AND LEGALITY

OFFICE OF CHIEF COUNSEL
By [Signature]
Feb 1, 2013

OFFICE OF GENERAL COUNSEL
By [Signature]
2/5, 2013

OFFICE OF ATTORNEY GENERAL
By [Signature]
2/13, 2013