

ATTACHMENT J.5

APPENDIX E

**PPPL
DEPARTMENT OF ENERGY (LESSEE) INGRANTS**

**Applicable to the Operation of
PPPL**

Contract No. DE-AC02-09CH11466

Lease No. DE-RL02-CH10328

LEASE AGREEMENT

between

THE TRUSTEES OF PRINCETON UNIVERSITY

(Princeton)

and

THE UNITED STATES OF AMERICA

acting through the

United States Department of Energy

(Government)

PREMISES:

72.478 acres, more or less, Plainsboro
Township, Middlesex County, New Jersey.

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LEASE AGREEMENT

THIS LEASE AGREEMENT effective as of the 1st day of October, 1986, by and between THE TRUSTEES OF PRINCETON UNIVERSITY (hereinafter "Princeton"), and the UNITED STATES OF AMERICA, acting through the United States Department of Energy (hereinafter "the Government").

WITNESSETH THAT:

WHEREAS, Princeton is the owner in fee simple of certain land consisting of 72.478 acres, more or less, known as "C-Site" and "D-Site" and located on Princeton's Forrestal Campus in Plainsboro Township, Middlesex County, New Jersey, as hereinafter described; and

WHEREAS, the Government is the owner of certain Buildings, improvements, and other property erected on "C-Site" and "D-Site"; and

WHEREAS, Princeton occupies the Buildings and operates and manages thereon the Princeton Plasma Physics Laboratory pursuant to Contract No. DE-AC02-76CH03073 with the Government; and

WHEREAS, Princeton and the Government acknowledge that it is in the mutual interest of the respective parties hereto to enter into this Lease; and

WHEREAS, the Government is authorized to enter into this Lease by law, including the Department of Energy Organization Act (Pub. L. No. 95-91).

NOW, THEREFORE, Princeton and the Government do mutually covenant, promise, and agree as follows:

SPECIAL LEASE TERMS AND CONDITIONS

ARTICLE 1 - DEFINITIONS

(a) Annual Net Fair Rental Value: The Annual Net Fair Rental Value determined by a Qualified Real Estate Appraiser pursuant to Article 3 hereof.

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(b) Buildings: Those Buildings located on the portion of the Princeton Forrestal Campus known as "C-Site" and "D-Site" which are owned by the Government.

(c) C-Site and D-Site: That certain portion of land consisting of 72.478 acres, more or less, owned in fee simple by Princeton, located on the University's Forrestal Campus in Plainsboro Township, Middlesex County, New Jersey as more fully described in Exhibit A hereto (sometimes referred to herein as the "Demised Premises").

(d) Current Contract: Contract No. DE-AC02-76CH03073 between the Government and Princeton, as modified from time to time, for the performance of certain research and development.

(e) Contracting Officer: A person, acting on behalf of the Department of Energy or any successor agency, with the authority to enter into, administer, and/or terminate this Lease, and make related determinations and findings.

(f) Contractor: The person or entity contracting with the Government for research and development to be conducted on the Demised Premises under the Current Contract or any other contract.

(g) Imposition(s): All taxes, assessments, fees, and other charges imposed on the Demised Premises as provided in Article 6 hereof.

(h) Lease: This Lease Agreement entered into between Princeton and the Government.

(i) PPPL: Princeton Plasma Physics Laboratory, an organizational unit of Princeton University which performs the work under the Current Contract.

(j) Qualified Real Estate Appraiser: A person who regularly renders pertinent commercial real estate appraisals and who is an accredited Member of the Appraisal Institute (MAI).

(k) Annual Lease Charge: The amount due from the Government on October 1 of each year of the Term in accordance with Article 3 hereof.

(l) Term: The Term of this Lease as provided in Article 3 hereof.

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ARTICLE 2 - ORDER OF PRECEDENCE

2.01. Any inconsistency in this Lease shall be resolved by giving precedence to the Special Lease Terms and Conditions over the General Lease Terms and Conditions.

2.02. Any inconsistency between this Lease and the Current Contract shall be resolved by giving precedence to the terms of this Lease.

ARTICLE 3 - DEMISE, PREMISES, TERM, ANNUAL LEASE CHARGE, AND OTHER CHARGES

3.01. Demise and Premises.

Princeton does hereby demise and let unto the Government, and the Government does lease and take from Princeton, for the Term and upon the covenants, terms, and conditions hereinafter set forth:

ALL THOSE CERTAIN tracts or parcels of ground situated in Plainsboro Township, Middlesex County, New Jersey, more fully described in Exhibit A attached hereto and made a part hereof.

TOGETHER WITH all and singular appurtenances, rights, privileges, and easements unto the aforesaid tracts or parcels of ground belonging or in any wise appertaining (the aforesaid tracts or parcels of ground and said appurtenances, rights, privileges, and easements are herein collectively called the "Demised Premises").

UNDER AND SUBJECT, NEVERTHELESS, to the matters set forth in Exhibit B attached hereto and made a part hereof.

3.02. Access to Demised Premises.

(a) Princeton shall provide at least one access road; further, Princeton shall use its best efforts to provide an additional access road to and from the Demised Premises.

(b) Princeton shall have the right from time to time, in Princeton's sole judgment and discretion, and at Princeton's sole cost, to terminate or relocate any or all of the access roads provided pursuant to paragraph 3.02(a); provided that one access road shall be available to the Government at all times which shall not be lesser in load capacity and width than the road(s) terminated or relocated without the concurrence of

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the Government. Princeton shall provide reasonable notice to the Government of the termination or relocation of any or all access roads.

(c) Princeton and the Government shall share the cost of providing additional access roads pursuant to this paragraph 3.02:

(i) Such costs shall be shared pro rata according to the respective acreage served by the additional access road(s); provided that the Government shall pay the full cost of a Government-required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(ii) The Government agrees to pay its pro rata share of the cost of relocation of any additional access road according to the respective acreage served, if such relocation is required by any state or local government; provided that the Government shall pay the full cost of a Government-required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(d) The Government shall pay its pro rata share according to the respective acreage served of all repair and maintenance costs in connection with the access roads.

3.03. Term.

The Term of this Lease shall commence on October 1, 1986, (hereinafter called the "Commencement Date") and shall expire 40 years after the Commencement Date (hereinafter called the "Expiration Date"), unless sooner terminated as hereinafter provided, at which time the Demised Premises shall be surrendered to Princeton. No renewal of this Lease shall be granted.

3.04. Annual Lease Charge.

(a) The Government shall pay to Princeton as the lease charge for the Term of this Lease the following:

(i) The Government shall pay the Annual Lease Charge without offset, deduction, or demand on or before October 1 of each year of the Term; provided that in no event shall the Annual Lease Charge be paid after October 1, except as provided in paragraph 3.08 hereof. For the initial five (5) year period from the Commencement Date until September 30, 1991, the Annual Lease Charge shall be in the amount of \$1,771,000.00. Princeton's receipt of the first such payment is hereby acknowl-

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edged. The Annual Lease Charge shall be adjusted on October 1, 1991, and at the beginning of each successive sixty (60) month period thereafter during the Term in accordance with paragraph 3.06 hereof.

(ii) From and after the Commencement Date, and throughout the Term of this Lease, the Government shall also pay all sums, costs, expenses, and other charges which the Government in any of the provisions of this Lease assumes or agrees to pay or discharge, it being intended that the Annual Lease Charge shall be an absolute net return to Princeton throughout the Term of this Lease without offset or deduction, and free of expenses, charges, diminution, or other deductions whatsoever.

3.05. Other Charges.

During any period in which Princeton is the Contractor, Princeton shall notify the Government each month of the amount of the other charges which the Government has agreed to pay pursuant to subparagraph 3.04(a)(ii) hereof and such other charges shall be due and payable upon receipt of a written demand. If at any time Princeton is not the Contractor, Princeton shall submit to the Government, each month, an invoice for such other charges. Such invoice shall be paid by the Government within thirty (30) days of receipt.

3.06. Adjustment of Annual Lease Charge.

On October 1, 1991, and on October 1 of each successive sixty (60) month period thereafter during the Term, the Annual Lease Charge shall be adjusted according to the following procedure:

(a) On October 1, 1990, and on October 1 of each sixty (60) month period thereafter for the Term, Princeton shall notify the Government of the proposed Annual Lease Charge for the sixty (60) month period commencing twelve (12) months thereafter. If Princeton and the Government shall not have agreed upon Princeton's proposed Annual Lease Charge within thirty (30) days after the date of Princeton's notice, then the parties shall endeavor to agree upon a Qualified Real Estate Appraiser who shall determine the fair market value of the Demised Premises. If the parties agree on such an appraiser, then the resultant appraisal shall be binding and conclusive upon the parties. If within forty-five (45) days after the date of Princeton's notice, the parties have not agreed upon the selection of a Qualified Real Estate Appraiser, the following procedure shall take place:

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(i) Princeton shall, within fifteen (15) days thereafter, submit to the Government a list of three (3) Qualified Real Estate Appraisers. The Government shall, within fifteen (15) days thereof, select an Appraiser from Princeton's list. The Appraiser so selected shall submit to Princeton and the Government, within thirty (30) days from his selection, an appraisal of the fair market value of the Demised Premises. Princeton and the Government shall have thirty (30) days from said submittal to accept or reject the appraisal.

(ii) If either party rejects such appraisal, the Government, within fifteen (15) days of said rejection, shall submit to Princeton a list of three (3) Qualified Real Estate Appraisers. Princeton shall, within fifteen (15) days thereof, select an appraiser from the Government's list. The Appraiser so selected shall submit to Princeton and the Government, within thirty (30) days from his selection, an appraisal of the fair market value of the Demised Premises. Princeton and the Government shall have thirty (30) days from said submittal to accept or reject the appraisal.

(iii) If either party rejects such appraisal, then the Appraisers appointed pursuant to subparagraphs 3.06(a)(i) and 3.06(a)(ii) above shall, within fifteen (15) days of said rejection, agree on a final Qualified Real Estate Appraiser whose appraisal must be submitted to Princeton and the Government within thirty (30) days of his selection. The parties agree that this appraisal shall be binding and conclusive upon the parties.

(b) The cost of all appraisals shall be borne equally by the parties, except that the party rejecting an appraisal under paragraph 3.06(a) shall bear solely the costs of such appraisal.

(c) The Appraiser(s) selected pursuant to paragraph 3.06 hereof shall appraise the fair market value of the Demised Premises for its "highest and best use" as vacant and unimproved property taking into account any roads and utilities benefitting the Demised Premises which are installed on the Demised Premises or premises adjacent thereto; provided that such roads and utilities shall not be taken into account if they were paid for by the Government. The Appraiser(s) shall not consider any increase or diminution in value of the Demised Premises caused by the Government's use thereof.

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(d) Based on the fair market value, the Appraiser(s) shall determine the Annual Net Fair Rental Value.

3.07. Determination of Annual Lease Charge.

(a) The Annual Lease Charge shall be ninety (90) percent of the Annual Net Fair Rental Value as determined under paragraph 3.06 for as long as Princeton is the Contractor. If at any time Princeton ceases to be the Contractor, the Annual Lease Charge, shall increase to one hundred (100) percent of the Annual Net Fair Rental Value as determined under paragraph 3.06. The adjustment and determination of the Annual Lease Charge shall not be subject to Article 23 of this Lease entitled "Disputes."

(b) Princeton and the Government, within thirty (30) days of their agreement or approval of the Annual Lease Charge as adjusted aforesaid, shall execute and deliver an appropriate amendment to this Lease confirming such adjusted Annual Lease Charge.

3.08. Availability of Appropriated Funds.

In the event Princeton is given written notice by the Government that sufficient appropriations are not available for payment of all or any portion of any Annual Lease Charge or other charges hereunder, Princeton hereby agrees to extend the date for payment of such charge(s) for a period not to exceed ninety (90) days. Any such extension shall be in writing and shall set forth the date payment is due. If at the end of such ninety (90) day period, appropriations have not been made available to pay all outstanding charges, the Government's failure to pay shall be an "Event of Default" pursuant to Article 13 hereunder. The Government's payment of the outstanding charges after the same are due and payable shall be subject to the provisions of the Prompt Payment Act (31 U.S.C. §§ 3901-06), as amended from time to time.

ARTICLE 4 - USE

4.01. Use of Premises - Princeton the Contractor.

(a) At all times during which Princeton is the Contractor, the Demised Premises shall be used by the Government for operation of the PPPL in the performance of research and development and related services in accordance with the terms of the Current Contract.

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(b) Princeton and the Government intend that such permitted use of the Demised Premises shall include the construction and operation of large experimental devices such as the Tokomak Fusion Test Reactor ("TFTR"), the planned Compact Ignition Tokomak Project ("CIT"), or similar devices that are appropriate for the Demised Premises and within the terms of the Current Contract.

4.02. Use of Premises - Princeton Not the Contractor.

(a) If at any time during the Term Princeton shall not be the Contractor, the Demised Premises and any Buildings or improvements thereon shall be used only for research, development, and experimentation in the fusion energy field, which work is similar and related to the work being performed pursuant to the Current Contract, and any other work which is similar and related to work performed under the Current Contract. In no event shall the Government introduce any radioactive materials onto the Demised Premises in excess of limits contained in the approved Environmental Impact Statement or Assessment in effect during the Current Contract, or in excess of the limits for unlicensed materials set forth in 10 C.F.R. Part 30 (1986), as amended from time to time, without the express written consent of Princeton.

(b) If at any time during the Term Princeton shall not be the Contractor, the Government agrees that its use of the Demised Premises shall not create or constitute a nuisance or prejudice the activities of Princeton, its lessees, or licensees on the Demised Premises and premises adjacent thereto.

(c) If at any time during the Term Princeton shall not be the Contractor, the Government covenants and agrees with Princeton that the Government will observe "Princeton University Policies" as follows:

(i) No use of the Demised Premises shall be offensive to the neighborhood by reason of odor, fumes, dust, smoke, glare, noise, gases, liquid waste, or pollution.

(ii) No open storage shall be permitted on the Demised Premises unless screened from view from adjacent property and streets at the Government's cost and expense.

(iii) There shall be maintained on the Demised Premises facilities for parking, loading and unloading sufficient to serve the activity conducted thereon.

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(iv) No building or structure shall be constructed or erected on the Demised Premises which exceeds sixty (60) feet in height above the finished grade of such building or structure and which is not screened by trees, except as otherwise approved in writing by Princeton, at Princeton's sole discretion.

(v) Natural growth of wooded areas and orderly landscaping shall be encouraged and no trees or shrubbery located in existing forested areas or existing clusters of trees shall be removed from the Demised Premises without first obtaining the written consent of Princeton, which consent Princeton may refuse in its sole discretion; provided that the Government may remove dead trees and shrubbery and may perform maintenance, cutting and thinning in support of landscaping efforts without Princeton's consent.

(vi) Princeton may, from time to time, adopt and promulgate other University Policies applicable to the Demised Premises and its Forrestral Campus and amend or supplement the same, which University Policies shall, at the time of adoption by Princeton, become a part of this Lease. Notice of such University Policies and all amendments and supplements thereto shall be given to the Government and the Government agrees to comply with and observe the same, unless the Government determines and notifies Princeton in writing that such University Policies materially interfere with the Government's use of the Demised Premises as provided herein.

ARTICLE 5 - UTILITIES

5.01. Utilities.

The Government shall provide, or cause to be provided, all necessary utilities for the operation of the Buildings and any additional improvements. Princeton shall not be liable for any loss or damage suffered by the Government resulting from any failure of utility service. The Government shall pay all charges and costs for provision, installation, and use of such utilities and any additional improvements thereto.

5.02. New Utilities.

Any new utility extensions required by the Government on the Demised Premises shall be installed underground, except that additional utility lines and supporting arms may be added to the existing high tension towers and existing utility poles;

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provided that the towers are not otherwise enlarged or modified. Such new utility extensions may be constructed above ground only with the express written approval of Princeton. The Government shall be solely responsible for the costs and expenses of any such new utility extensions.

ARTICLE 6 - IMPOSITIONS AND PAYMENT THEREOF

6.01. Impositions.

(a) The Government shall pay all applicable taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, license and permit fees, and other governmental charges, general or special, ordinary or extraordinary, unforeseen or foreseen, of any kind and nature whatsoever (including all penalties and interest thereon) which at any time during the Term may be assessed, levied, imposed upon, or grow or become due and payable out of or in respect of, the Demised Premises, the Buildings, or any other improvements thereon, or any part thereof or any appurtenance thereto, or any use or occupation of the Demised Premises and the improvements, and such franchises as may be appurtenant to the use of the Demised Premises, the Buildings, or any other improvements or which at any time during the Term hereof may become a lien on the Demised Premises, the Buildings, or any other improvements or any part thereof or any appurtenance thereto (all such taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, license and permit fees, and other governmental charges being hereinafter collectively called "Impositions," and any of the same being hereinafter individually called "Imposition").

(b) If subsequent to the date of this Lease, any applicable tax shall be levied, assessed, or imposed upon, or be required to be paid by Princeton as a specific substitute for, and in lieu of, one or more of the taxes otherwise required by paragraph 6.01(a) hereof to be paid by the Government, or Princeton shall be required by the State of New Jersey or any political subdivision thereof to pay any such additional real estate tax with respect to Princeton's ownership of the Demised Premises, the execution and delivery of this Lease, or the receipt or accrual of any lease charges payable to Princeton under the provisions of this Lease, and the Government shall be given notice thereof, the same shall be deemed to be an Imposition payable by the Government.

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6.02. Contested Impositions:

(a) The Government shall have the right, in its own name or in the name of Princeton, to contest or review any Imposition(s) by appropriate proceedings, promptly commenced and diligently prosecuted in good faith, at its own expense and free of all expense to Princeton; provided that before instituting any such proceedings the Government shall notify Princeton. The Government may pay (under protest) such Imposition(s) or contest such Imposition(s). Notwithstanding anything herein to the contrary, the Government shall pay, under protest or otherwise, all Imposition(s) before the time when the Demised Premises or any portion thereof might be forfeited by reason of nonpayment. In the event of any such contest, the Government shall pay or cause to be paid the amount that shall finally be levied or assessed against the Demised Premises or adjudicated to be due or payable on any such contested Imposition.

(b) Princeton shall, at the request and at the expense of the Government, join in any such proceedings and the Government covenants to indemnify and save Princeton harmless from costs or expenses involved. The Government shall be entitled to any refund of any such Imposition(s), which have been paid by the Government, and interest thereon.

(c) It is the purpose and intent of this paragraph 6.02 that Princeton shall be and hereby is saved harmless from and indemnified for all costs and expenses which it, as owner of the Demised Premises, might otherwise be required to bear with respect to Imposition(s).

ARTICLE 7 - CONSTRUCTION OF ADDITIONAL IMPROVEMENTS

7.01. Government's Construction of Improvements - Princeton the Contractor.

If the Government shall desire to construct additional improvements on the Demised Premises any time during the Current Contract, the Government agrees to abide by the "Design and Development Criteria" attached hereto as Exhibit C and incorporated herein.

7.02. Government's Construction of Improvements - Princeton Not the Contractor.

If at any time during the Term hereof Princeton shall not be the Contractor, and the Government shall desire to construct additional improvements on the Demised Premises, the Government shall comply with the following:

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(a) The Government, at its sole cost and expense, shall prepare a master plan of existing and proposed facilities. This plan shall be subject to the approval of the Princeton University Vice-President for Facilities. The Vice-President for Facilities shall give due consideration to the Development Criteria and University Development Plan. The master plan will be prepared and updated in accordance with Government requirements and schedules.

(b) The Government, at its sole cost and expense, shall prepare a site plan of the Demised Premises, preliminary plans, sections, elevations, and other materials (herein collectively called "Preliminary Plans") with respect to the proposed improvements, disclosing the matters and details specified in the "Design and Development Criteria," Exhibit C attached hereto. The proposed improvements shall comply with all zoning, and other applicable laws, codes, and ordinances of the governmental bodies having jurisdiction. The Government shall obtain and bear the sole cost and expense of obtaining all necessary governmental approvals.

(i) The Princeton Vice-President for Facilities shall designate one person (hereinafter referred to as "Princeton's Representative") to attend the meetings with the Government which relate to the preparation of the Preliminary Plans and Final Plans. Reasonable notice of the time and place of such proposed meetings shall be given by the Government to Princeton's Representative. Any approval of any portion of the Preliminary Plans or Final Plans given by Princeton's Representative shall be binding upon Princeton when set forth in writing and signed by Princeton's Representative. With regard to certain security activities (such as monitoring and detection) and exclusion areas, Princeton shall accept the Government's certification that such activities and areas are in compliance with the requirements of this Lease.

(ii) The Preliminary Plans shall be completed and submitted to Princeton for approval. Princeton shall review the Preliminary Plans, and within sixty (60) days of the submission thereof, shall notify the Government of Princeton's approval or disapproval thereof, as the case may be. In the event Princeton shall have failed to notify the Government of Princeton's approval or disapproval of the Preliminary Plans within said sixty (60) day period, then the Preliminary Plans shall be deemed to have been approved.

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(iii) Princeton shall have the right to refuse to approve the Preliminary Plans which are not in conformance with the "Design and Development Criteria," attached hereto as Exhibit C; provided that Princeton shall not have the right to disapprove any portion of the Preliminary Plans if such portion has been previously approved by Princeton's Representative. Princeton shall notify the Government of the respects, if any, in which the Preliminary Plans do not meet with Princeton's approval.

(c) The Government, at the Government's sole cost and expense, shall cause actual working drawings and specifications with respect to the proposed improvements (which shall be logical extensions of the approved Preliminary Plans) to be prepared and shall submit the same to Princeton, for Princeton's approval, within a reasonable period after the Preliminary Plans have been approved, or deemed to have been approved, by Princeton. Princeton shall review such actual working drawings and specifications, and within a reasonable period following the submission thereof, shall notify the Government of Princeton's approval or disapproval thereof. Princeton's approval shall be signified by the signature of Princeton's Representative on such drawings. Princeton shall have the right to refuse to approve said actual working drawings and specifications only in the event the same shall not constitute logical extensions of the approved Preliminary Plans; provided that Princeton shall not have the right to disapprove any portion of said drawings and specifications if such portion has been previously approved by Princeton's Representative. The actual working drawings and specifications approved by Princeton are herein collectively called the "Final Plans" and no material change involving form, function, or structure shall be made therein without first obtaining the approval of Princeton; provided that no material change may be made which would violate any prior governmental approval.

7.03 Limitation on Gross Floor Area.

The parties acknowledge and agree that the aggregate gross floor area on the Demised Premises, including improvements under construction, as of January 1, 1987, is 702,600 square feet. The Government shall have the right to construct additional Buildings and improvements containing gross floor area not to exceed 200,000 square feet. The Government may replace, alter, or modify existing Buildings and improvements; provided, however, that in no event shall the aggregate gross floor area on the Demised Premises exceed 902,600 square feet. The term "gross floor area" for purposes of calculating additional, replacement, altered, and modified space shall mean: the total area of all

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stories or part thereof of all structures and improvements on the Demised Premises measured from the exterior walls or from the roof edges where a structure has no walls, but excluding rooftop, rooftop devoted to mechanical equipment or storage, and roofed or enclosed areas used for parking spaces.

7.04. Ownership of Buildings and Improvements.

All Buildings and other improvements constructed on the Demised Premises during any period in which Princeton is not the Contractor, whether or not the property of the Government, shall be deemed to be the property of the Government for purposes of Article 11 hereof.

7.05. Other Government Contractors.

Princeton acknowledges that, during any period in which Princeton is not the Contractor, the Government may undertake or award contracts for facilities construction, related work, and support services and that such other contractor or Government employees may require access to the Demised Premises. Princeton agrees to fully cooperate with such other contractors and Government employees. Princeton agrees not to commit any affirmative act on the Demised Premises or on adjacent premises which would interfere with the performance by such other contractors or Government employees.

ARTICLE 8 - PERFORMANCE OF GOVERNMENT'S COVENANTS

8.01. Subject to the provisions of Article 3, Article 6, and Article 13, if the Government at any time shall fail to pay any charge hereunder, other than the Annual Lease Charge, or shall fail to perform any other act on the Government's part required to be performed under this Lease and (a) such default shall continue for a period of thirty (30) days after written notice of default in the payment of any sum of money; or (b) as to any default other than in the payment of money, if within sixty (60) days after notice by Princeton to the Government, the Government shall not have cured such default or shall not have commenced and is not diligently proceeding to cure it; or (c) without notice if an emergency exists: then Princeton may (but shall be under no obligation to) pay such Imposition, or make such other payment or perform such other act, as the case may be, and take all such action as may be necessary with respect thereto.

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8.02. Any sums paid by Princeton pursuant hereto shall be charged to and paid by the Government.

8.03. This Article 8 shall survive expiration or termination of this Lease.

ARTICLE 9 - CARE OF DEMISED PREMISES

9.01. No Obligation on Princeton.

(a) Any term, condition, or provision herein to the contrary notwithstanding, Princeton shall have no obligation to maintain or otherwise care for the Demised Premises at any time during the Term.

(b) The Government shall be solely responsible for all repairs to and maintenance of the Demised Premises as follows:

(i) The Government will take good care of the Demised Premises and the Buildings, improvements, the sidewalks and curbs on the Demised Premises, and any other improvements erected upon the Demised Premises; and, subject to reasonable wear and tear, will keep the same in good order and condition, and make all necessary repairs thereto, interior and exterior, structural and non-structural. The term "repairs" when used in this Article 9 shall include all necessary replacements and alterations. All repairs made by the Government shall be substantially equivalent in quality and class to the original work.

(ii) The Government shall promptly and with due diligence put, keep, and maintain all portions of the Demised Premises and the sidewalks, curbs, driveways and passageways, and parking areas on the same, in a safe, clean, and orderly condition, free of dirt, trash, rubbish, snow, ice, and unlawful obstructions. The Government shall also mow the lawns and other grass planted areas, and replace dead and dying trees and shrubbery, all in accordance with good landscaping practice.

9.02. Commission of Waste.

The Government shall not cause or permit any waste or damage, disfigurement, or injury to any of the Demised Premises.

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**ARTICLE 10 - COMPLIANCE WITH LAWS AND ORDINANCES - PRINCETON
NOT THE CONTRACTOR**

10.01. Compliance with Laws.

If at any time during the Term of this Lease Princeton shall not be the Contractor, the Government shall have sole responsibility for and shall bear all costs and expenses of causing the Demised Premises to conform to, comply with, and take any and all action necessary to avoid or eliminate any violation of any present or future applicable law, statute, ordinance, order, rule, regulation, or requirement of any federal, state or municipal government, department, commission, board or officers having jurisdiction, foreseen or unforeseen, ordinary as well as extraordinary, which shall be applicable to the Demised Premises, Buildings and improvements or the sidewalks, curbs, driveways and passageways, and parking areas comprising part of the Demised Premises or the Buildings or improvements, or to the use or manner of use thereof by the occupants thereof, whether or not such law, statute, ordinance, order, rule, regulation, or requirement shall necessitate structural changes or improvements or interfere with the use and enjoyment of the Demised Premises, the Buildings or the improvements.

10.02. Compliance with Restrictions.

The Government at all times shall observe and comply with the requirements of all covenants and restrictions contained or set forth in Exhibit B hereof, so far as the same shall be in force and effect at any time during the Term of this Lease.

10.03. Inspection by Princeton.

Subject to pertinent security requirements of the Government, if at any time during the Term Princeton shall not be the Contractor, the Government agrees to permit the duly authorized representatives of Princeton to enter the Demised Premises and improvements at all reasonable times during usual business hours for the purpose of: (a) inspecting the same; and (b) performing any work for which the Government shall be responsible under the terms of this Lease not performed by the Government after notice to the Government as provided for herein.

Princeton agrees, however, in connection with the doing of any such work to cause as little inconvenience, annoyance, disturbance, loss of business, or other damage to the Demised Premises and/or the improvements as may be reasonably possible in the circumstances. Nothing herein contained shall imply any duty or obligation upon Princeton to make any repair or to perform any

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work which under any provision of this Lease the Government is required to make or perform, and the making or performing thereof by Princeton shall not constitute a waiver of the Government's default in failing to make or perform the same.

ARTICLE 11 - DISPOSITION OF GOVERNMENT-OWNED PROPERTY

11.01. Determination by the Government.

At the expiration or termination of this Lease, or if the Government determines at any time during the Term that it desires to conclude its use of Government-owned Buildings, improvements, or any other Government-owned property located on the Demised Premises, the Government shall, within one hundred and twenty (120) days, notify Princeton in writing of Government-owned property which it desires to remove or abandon. After expiration or termination of this Lease, the Government shall have access to the Demised Premises at reasonable times for the purposes of inspection, maintenance, and protection or removal, and the right to use the Demised Premises for such purposes.

11.02. Removal.

As to any Buildings, improvements, or other Government-owned property which the Government intends to remove, such removal shall commence on the earlier of one hundred and eighty (180) days after the date of the Government's determination, or sixty (60) days after the Government's notice to Princeton, and such removal shall be expeditiously carried out as to each item to be removed. The removal of any Buildings, improvements, or other Government-owned property shall be accomplished in such a manner as to leave the Demised Premises in a slightly and graded condition. If such removal has not commenced within the aforesaid period, notwithstanding any other provision contained herein, Princeton may, within forty-five (45) days of the expiration of such period, notify the Government in writing of its election to:

(a) deem such property the removal of which has not commenced as being abandoned, and, upon the Government's receipt of such notice, full ownership of and title to the property shall pass immediately to Princeton without the necessity of any further act on the part of Princeton or the Government; provided, however, that the Government, at Princeton's request, shall execute and deliver to Princeton appropriate

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instruments confirming such title to Princeton in appropriate form for recordation; or

(b) Princeton shall remove such property and charge the Government for the costs incurred in such removal, including any transportation and temporary storage charges. The Government shall pay all such costs and charges upon demand.

11.03. Abandonment.

The Government's right to abandon Buildings, improvements, or other Government-owned property shall be subject to the following:

(a) The Government shall have the right to abandon any Building or Buildings which are in the following condition:

(i) the Building is enclosed by walls and a roof which are in reasonably good condition and the inside of which is not exposed to the elements;

(ii) the Building has heating and plumbing facilities and electric wiring, all of which are in reasonably good condition and are reasonably adequate for any normal use of the Building and are connected and operable; provided that this provision is applicable only if the Building had operable heating and plumbing facilities and electrical wiring at the time of the conclusion of the Government's use of the same;

(iii) the interior of the Building is not in such condition as to make some reasonable commercial use of the Building impractical without the expenditure of an amount of money disproportionate, from engineering and other practical standpoints, to the value of the Building in its then condition; and

(iv) the Building is, both internally and externally, in compliance with all applicable federal, state, and local laws, including without limitation, environmental, fire codes, and other health and safety standards in effect at the time of abandonment. The Government shall not have the right to abandon any building which does not meet the requirements of this subparagraph, unless Princeton concurs, in writing, in such abandonment.

(b) The Government shall have the right, conditional upon receiving the prior written consent of Princeton, to

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abandon any structures or other Government-owned property other than Buildings, including, but not limited to, cooling and water towers, above-ground power, gas and steam lines, fences, sewer plants and substations. Unless the Government has received such written consent to abandonment, removal of such structures by the Government shall commence within one hundred and eighty (180) days after determination by the Government of the conclusion of the Government's use thereof, and in any event, within one hundred and twenty (120) days after termination or expiration of this Lease. The removal of any structures pursuant to this subparagraph shall be accomplished expeditiously and in such a manner as to leave the premises in a graded and sightly condition.

11.04. Princeton's Rights on Expiration or Termination.

Notwithstanding any other provision contained herein, at the time of expiration or termination of this Lease, Princeton shall have the right to take all reasonable precautions and measures to assure that the Demised Premises are in compliance with applicable federal, state, and local health, safety, and environmental laws and regulations in effect at that time. The Government shall be obligated, subject to the availability of appropriated funds, to pay the reasonable costs incurred by Princeton in furtherance of this provision.

11.05. Subsequent Agreement of the Parties.

The parties recognize that, even though the Demised Premises are brought into full health, safety, and environmental compliance in accordance with this Article 11, certain substances or materials generated at or brought to the said premises in connection with the work which remain at said premises subsequent to the expiration or other termination of this Lease may, at some later date, be determined not to be in compliance with applicable federal, state, or local health, safety, and environmental laws or regulations in effect at such later date. Accordingly, the parties agree that, at or before the time of expiration or termination of this Lease, they will negotiate, in good faith, in order to agree upon a fair and equitable resolution of all aspects of the problem identified in the preceding sentence, including the respective responsibilities of the parties.

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ARTICLE 12 - ASSIGNMENT OR SUBLEASE

The Government shall not assign, sublet, or otherwise transfer this Lease without the prior written consent of Princeton, which consent shall not be unreasonably withheld. Any such purported assignment, sublease, or other transfer without Princeton's prior written consent shall be void and have no effect.

ARTICLE 13 - TERMINATION BY PRINCETON.

13.01. Event of Default.

This Lease shall not be terminated by Princeton unless an Event of Default, as hereinafter specified, has occurred. An Event of Default by the Government entitles Princeton to invoke any of the remedies provided in this Article 13.

The following shall constitute an Event of Default at any time during the Term.

(a) Except as otherwise provided in Article 3 hereof, failure to pay the Annual Lease Charge or other charges at the time specified;

(b) A material breach of any other material covenant of this Lease.

13.02. Princeton's Remedies for the Government's Default.

Notwithstanding any other provision of this Lease, if an Event of Default occurs, Princeton, at its sole option may:

(a) Permit the Government to cure any default regarding the payment of charges hereunder, other than the Annual Lease Charge, within thirty (30) days of the date payment was due, except as provided in Article 3. If such default continues beyond thirty (30) days, Princeton may terminate this Lease immediately.

(b) As to any default other than in the payment of money hereunder, if within sixty (60) days after notice by Princeton to the Government, the Government shall not have cured such default or shall not have commenced and is not proceeding diligently to cure it, Princeton may terminate this Lease immediately.

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13.03. Termination - Princeton the Contractor.

If Princeton terminates the Lease pursuant to this Article 13 while Princeton is the Contractor, the Government shall be liable for and shall pay to Princeton each and every year for a ten (10) year period following termination an amount equal to the pertinent Annual Net Fair Rental Value as adjusted pursuant to Article 3 hereof; provided, however, that during such ten (10) year period, Princeton shall make a good faith effort to relet the Demised Premises, and, in the event Princeton does relet the Demised Premises, the Government shall be liable for the difference, if any, between the pertinent Annual Net Fair Rental Value and the amount actually provided for as rent or similar consideration in the resultant lease. The Government also shall be liable for the costs and expenses incurred for reletting the Demised Premises and maintaining the same until reletting.

13.04. Termination - Princeton Not the Contractor.

If Princeton terminates the Lease pursuant to this Article 13 during any period in which Princeton is not the Contractor, the Government shall be liable for and shall pay to Princeton each and every year for the remainder of the Term an amount equal to the pertinent Annual Net Fair Rental Value as adjusted pursuant to Article 3 hereof; provided, however, that Princeton shall make a good faith effort to relet the Demised Premises, and in the event Princeton does relet the Demised Premises, the Government shall be liable for the difference, if any, between the pertinent Annual Net Fair Rental Value and the amount actually provided for as rent or similar consideration in the resultant lease. The Government also shall be liable for the costs and expenses incurred for reletting the Demised Premises and maintaining the same until reletting.

13.05. Government Approval.

The Government shall have the right of approval of the financial terms and conditions of any lease proposed to be entered into by Princeton pursuant to this Article 13, which approval shall not be unreasonably withheld.

13.06. Waiver of Performance.

No failure by Princeton to insist upon the strict performance of any covenant, agreement, term, or condition of this Lease on the part of the Government to be performed, or to exercise any permitted right or remedy consequent upon a default

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therein, and no acceptance of partial or full payment of any charges during the continuance of any such default shall constitute a waiver by Princeton of such default or of such covenant, agreement, term, or condition. No covenant, agreement, term, or condition of this Lease on the part of the Government, and no default therein, shall be waived, altered, modified, or terminated except by written instrument executed by Princeton. No waiver of any default shall otherwise affect or alter this Lease, but each and every covenant, agreement, term, and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent default therein.

ARTICLE 14 - NOTICES AND APPROVALS

All notices, approvals, consents, demands, and requests which may be or are required to be given by one party to the other party shall be in writing and shall be deemed to have been properly given if and when delivered personally, or by overnight courier, or sent by registered or certified mail, postage prepaid, addressed as follows:

(a) If to the Government at: U.S. Department of Energy, Princeton Area Office, P.O. Box 102, Princeton, New Jersey 08540, or at such other place, and to such other person, as the Government may from time to time designate by notice to Princeton; and

(b) If to Princeton, One Nassau Hall, Princeton, New Jersey 08544, Attention: Provost.

ARTICLE 15 - QUIET ENJOYMENT

15.01. Quiet Enjoyment.

The Government, upon observing and keeping all covenants, agreements, and conditions of this Lease on the Government's part to be observed and kept, shall quietly have and enjoy the Demised Premises throughout the Term of this Lease without hindrance or molestation by Princeton or by any one claiming by, from, through, or under Princeton, subject, however, to the exceptions, reservations, and conditions of this Lease.

15.02. Encumbrance.

Princeton shall not during the Term hereof sell or encumber the Demised Premises, except as hereinafter provided.

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(a) Princeton may, at any time during the Term, sell the Demised Premises or the reversionary interest therein to any entity which is an affiliate of Princeton. For purposes of this paragraph 15.02, the term "affiliate" means any entity in which Princeton shall hold the controlling interest.

(b) Princeton agrees during the Term of this Lease not to sell the Demised Premises, any part thereof, or the reversionary interest therein, except for a sale to an affiliate of Princeton as aforesaid, without giving the Government the right of first refusal to purchase the Demised Premises, or Princeton's reversionary interest therein, on the same terms and conditions as those on which Princeton is willing to make such sale to another party. Princeton shall notify the Government promptly in writing of all such terms and shall submit to the Government a full and accurate copy of any bona fide offer (which may be in preliminary or "letter of intent" form) Princeton desires to accept. If the Government elects to exercise the right of first refusal herein granted, it must do so within thirty (30) days after receipt of the notice of terms and conditions from Princeton, otherwise the right of first refusal as to such particular offer shall be null and void. In the event the Government exercises its rights hereunder, the Government shall purchase the property on the terms set forth by Princeton. The Government's right of first refusal granted herein shall continue for the Term hereof and may be used by the Government notwithstanding the Government's declining to exercise such right in any particular instance, unless Princeton shall sell the Demised Premises or any interest therein pursuant to an offer which the Government has failed or declined to accept pursuant to this Article 15, in which case the Government's rights and options to acquire the Demised Premises, as provided in this paragraph 15.02, shall irrevocably terminate.

(c) Princeton shall not mortgage or encumber the Demised Premises during the Term hereof unless such mortgage or encumbrance is expressly made subordinate to the Government's rights hereunder.

(d) Any sale or other disposition of the Demised Premises, other than to the Government, shall be made expressly subordinate to the Government's rights hereunder.

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ARTICLE 16 - SUCCESSORS AND ASSIGNS OF THE PARTIES.
CONTROLLING LAW

16.01. Successors.

The covenants and agreements contained herein shall bind and inure to the benefit of Princeton and Princeton's permitted successors and assigns, and the Government and the Government's permitted successors and assigns.

16.02. Assignment by Princeton.

Except as provided in Article 15 hereof, no interest in this Lease or claim hereunder shall be assigned or transferred by Princeton without the written consent of the Contracting Officer, which consent shall not be unreasonably withheld.

16.03. Assignment by the Government.

The Government's permitted successors and assigns shall be only a successor agency(s) to the Department of Energy.

16.04. Controlling Law.

This Lease shall be construed and interpreted according to the federal common law of government contracts as enunciated and applied by federal judicial bodies, boards of contract appeals, and quasi-judicial agencies of the United States Government. To the extent that the federal common law of government contracts is not applicable, the laws of the State of New Jersey shall apply.

ARTICLE 17 - ESTOPPEL CERTIFICATE

The Government agrees, at any time and from time to time, upon not less than ten (10) days' prior notice by Princeton, to execute, acknowledge, and deliver to Princeton a statement in writing certifying: (a) 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 modified and stating the modifications); (b) whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants, or conditions hereof upon the part of Princeton or the Government to be performed (and if so specifying the same); and (c) the dates to which the Annual Lease Charge and other charges have been paid in advance, if any.

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ARTICLE 18 - TERMINATION BY THE GOVERNMENT

18.01. Termination - Princeton the Contractor.

(a) The Government may terminate this Lease for its convenience during any period in which Princeton is the Contractor by giving thirty-six (36) months' written notice to Princeton.

(b) If the Government so terminates, the Government shall be liable for, and shall pay to Princeton each and every year for a two (2) year period following termination, an amount equal to the pertinent Annual Lease Charge; provided, however, that for such two (2) year period, Princeton shall make a good faith effort to relet the Demised Premises and, in the event that Princeton does relet the Demised Premises, the Government shall be liable for the difference, if any, between the amount of the pertinent Annual Lease Charge and the amount actually provided for as rent or similar consideration in the resultant lease. The Government also shall be liable for the costs and expenses incurred for reletting the Demised Premises and maintaining the same until reletting.

18.02. Termination - Princeton Not the Contractor.

(a) The Government may terminate this Lease for its convenience during any period in which Princeton is not the Contractor by giving sixty (60) months' written notice to Princeton.

(b) If the Government so terminates, the Government shall be liable for, and shall pay to, Princeton each and every year for five (5) years following termination, an amount equal to the pertinent Annual Net Fair Rental Value as adjusted pursuant to Article 3 hereof; provided, however, that for such five (5) year period, Princeton shall make a good faith effort to relet the Demised Premises, and, in the event Princeton does relet the Demised Premises, the Government shall be liable for the difference, if any, between the amount of the pertinent Annual Net Fair Rental Value and the amount actually provided for as rent or similar consideration in the resultant lease. The Government also shall be liable for the costs and expenses incurred for reletting the Demised Premises and maintaining the same until reletting.

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18.03. Government Approval.

The Government shall have the right of approval of the financial terms and conditions of any lease proposed to be entered into by Princeton pursuant to this Article 18, which approval shall not be unreasonably withheld.

ARTICLE 19 - INDEMNITY

19.01. Government Indemnity - Current Contract.

The parties agree that so long as Princeton is the Contractor, the Government's indemnification obligation provided in the clause set forth at Article 62 of the Current Contract entitled "General Authority Indemnity" or any similar clause shall apply to this Lease and any activities hereunder.

19.02. Government Indemnity - Princeton Not the Contractor.

(a) It is agreed that, to the extent not covered by insurance maintained, or required to be maintained by Princeton, and except as to claims for personal injuries by officers or employees of Princeton arising out of and in the course of their employment, Princeton shall not be liable for, and the Government shall indemnify and hold Princeton, its Trustees, Corporate Officers, agents, and employees, jointly and severally harmless from and against, any delay, failure, loss, cost, expense (including expense of litigation), or damage (including personal injuries and deaths, and property damage) arising out of or connected with the Government's use of the Demised Premises hereunder, whether or not any employee or employees of Princeton may be responsible therefor; provided, however, that this paragraph 19.02 shall not apply where the delay, failure, loss, cost, expense, or damage is caused directly by lack of good faith or willful misconduct on the part of Princeton.

(b) The liability of the Government under this Article shall be subject to the availability of appropriated funds, and shall survive expiration or termination of this Lease.

(c) Princeton shall be deemed to be "covered" by insurance only to the extent of the insurance proceeds received by Princeton or which would have been received except for the intentional or negligent fault or omission of Princeton in:
(i) making timely claim after it acquires or reasonably should

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have acquired, the knowledge of facts sufficient to make such a claim within a reasonable period prior to the expiration of the policy limitation period; or (ii) otherwise taking proper action under the policy.

(d) If at any time prior to the expiration or termination of this Lease, the regulations or policies of the Government in its judgment, shall require or permit the execution of an indemnity agreement between the Government and Princeton under statutory indemnity authority, with respect to the work being conducted on the Demised Premises, the Government shall inform Princeton of such fact and shall negotiate with Princeton, in good faith, to attempt to reach a mutual agreement under which Princeton will be afforded the benefit of such agreement, and this Article shall be revised accordingly.

ARTICLE 20 - DUPLICATION OF COSTS

To the extent any charges payable to Princeton under this Lease also may be allowable and recoverable under the Current Contract, no duplicate recovery of such charges shall be permitted.

ARTICLE 21 - RESERVED EASEMENTS

21.01. Princeton hereby reserves, and shall have the right to install and maintain utility lines and facilities within any portion of the Demised Premises upon which no building or structure is to be erected at locations reasonably determined by Princeton, for the purpose of providing water, electric, gas, telephone, cable lines, data transmission, drainage, storm and sanitary sewer services to the Princeton Forrestal Campus, the Princeton Forrestal Center and any other land hereafter designated by Princeton whether or not owned by Princeton, as well as the right to grant to other persons, entities, governmental bodies, and/or utility companies easements within the Demised Premises at the aforesaid locations for the aforementioned purposes.

21.02. No Material Interference with Government Use.

In the event that Princeton exercises its rights under this Article 21, Princeton agrees that its use of the easement(s) granted shall not materially interfere with the Government's actual or projected use of the Demised Premises and that, if the Demised Premises are disturbed for construction for any of the

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permitted purposes, Princeton shall leave the site in a graded and sightly condition upon completion of the work.

ARTICLE 22 - MISCELLANEOUS PROVISIONS

22.01. Separability.

Each covenant and agreement contained in this Lease shall, for all purposes, be construed to be a separate and independent covenant and agreement. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and shall be enforced to the extent permitted by law.

22.02. Counterparts.

This Lease shall be executed in three (3) counterparts, each of which shall be deemed to be an original.

22.03. Headings.

The headings to the various Articles and Sections of this Lease have been inserted for convenient reference only and shall not modify, amend, or change the express terms and provisions of this Lease.

GENERAL LEASE TERMS AND CONDITIONS

ARTICLE 23 - DISPUTES

(a) Except as otherwise provided, this Lease is subject to the Contract Disputes Act of 1978 (41 U.S.C. §§ 601-613) ("the Act").

(b) Except as provided in the Act or in this Lease, all disputes arising under or relating to this Lease shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a

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sum certain, the adjustment or interpretation of Lease terms, or other relief arising under or relating to this Lease. A claim arising under this Lease, unlike a claim relating to this Lease, is a claim which can be resolved under a Lease clause that provides for the relief sought by the claimant. However, a written demand or written assertion by Princeton seeking the payment of money exceeding \$50,000 is not a claim under the Act until certified as required by subparagraph (d)(ii) below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d) (i) A claim by Princeton shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the Government against Princeton shall be subject to a written decision by the Contracting Officer.

(ii) For Princeton claims exceeding \$50,000, Princeton shall submit with the claim a certification that:

(A) The claim is made in good faith;

(B) Supporting data are accurate and complete to the best of Princeton's knowledge and belief; and

(C) The amount requested accurately reflects the contract adjustment for which Princeton believes the Government is liable.

(iii)(A) If Princeton is an individual, the certification shall be executed by that individual.

(B) The certification shall be executed by-

1. A senior company official in charge at Princeton's plant or location involved; or

2. An officer or general partner of Princeton having overall responsibility for the conduct of Princeton's affairs.

(e) For Princeton claims of \$50,000 or less, the Contracting Officer must, if requested in writing by Princeton, render a decision within 60 days of the request. For Princeton-

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certified claims over \$50,000, the Contracting Officer must, within 60 days, decide the claim or notify Princeton of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless Princeton appeals or files a suit as provided by the Act.

(g) The Government shall pay interest on the amount found due and unpaid from (i) the date the Contracting Officer receives the claim (properly certified if required), or (ii) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

ARTICLE 24 - OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Lease, or to any benefit arising from it. However, this clause does not apply to this Lease to the extent that this Lease is made with a corporation for the corporation's general benefit.

ARTICLE 25 - COVENANT AGAINST CONTINGENT FEES

Princeton warrants that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Princeton for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this Lease without liability or in its discretion to deduct from the Annual Lease Charge, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee. (Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this Lease, may be considered as bona fide employees or agencies within the exception contained in this clause.)

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ARTICLE 26 - AVAILABILITY OF FUNDS

The obligations and liabilities of the Government under this Lease shall be subject to the availability of appropriated funds. The Government agrees to use its best efforts to secure appropriations sufficient for payment of all obligations and liabilities hereunder.

ARTICLE 27 - EXAMINATION OF RECORDS BY COMPTROLLER GENERAL

(a) This clause applies if this Lease exceeds \$10,000 and was entered into by negotiation.

(b) The Comptroller General of the United States or a duly authorized representative from the General Accounting Office shall, until 3 years after final payment under this Lease or for any shorter period specified in Federal Acquisition Regulation (FAR) Subpart 4.7, Contractor Records Retention, have access to and the right to examine any of Princeton's directly pertinent books, documents, paper, or other records involving transactions related to this Lease.

(c) The periods of access and examination in paragraph (b) above for records relating to (i) appeals under the Disputes clause, (ii) litigation or settlement of claims arising from the performance of this Lease, or (iii) costs and expenses of this Lease to which the Comptroller General or a duly authorized representative from the General Accounting Office has taken exception shall continue until such appeals, litigation, claims, or exceptions are disposed of.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS
LEASE AGREEMENT.

UNITED STATES OF AMERICA

BY Hilary J. Rauch

Hilary J. Rauch

(Name)

Manager

Chicago Operations Office

(Title)

DATE 2/3/87

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THE TRUSTEES OF PRINCETON
UNIVERSITY

BY Neil L. Rudenstine

Neil L. Rudenstine
(Name)

Provost
(Title)

DATE 2/3/87

CERTIFICATE

I, Howard S. Ende, certify that I am the
Assistant Secretary of THE TRUSTEES OF
PRINCETON UNIVERSITY; that Neil L. Rudenstine, who
signed this Lease on behalf of Princeton was then
Provost of Princeton; and said Lease was duly
signed for and in behalf of Princeton by authority of its
governing body, and is within the scope of its powers.

Howard S. Ende
(Signature)

Corporate Seal

EXHIBIT A
LEASE NO. DE-RL02-CH10328

EXHIBIT A TO LEASE AGREEMENT
EFFECTIVE ON OCTOBER 1, 1986 BETWEEN
THE TRUSTEES OF PRINCETON UNIVERSITY
AND THE UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED STATES
DEPARTMENT OF ENERGY

DESCRIPTION OF THE
DEMISED PREMISES

BEGINNING at a point, said point being located on a bearing of South seventy-five degrees, no minutes, sixteen seconds East (S 75° 00' 16" E) two thousand one hundred forty and thirty-six hundredths (2140.36) feet from the easterly right-of-way line of New Jersey State Highway U.S. Route # 1, one hundred (100) feet in width, said beginning point being in the southerly line of lands of The Robert Johnson Foundation and from said beginning point running, thence;

- (1) Along said southerly line of The Robert Wood Johnson Foundation along the southerly line of lands of Trustees of Princeton University (common open space) South seventy-five degrees, no minutes, sixteen seconds East (S 75° 00' 16" E) one thousand seven hundred seventy five and no hundredths (1775.00) feet to a point, said point being the northwesterly corner of other lands of said Trustees of Princeton University, thence;
- (2) Along the westerly line of the last mentioned lands, South four degrees, fifty-seven minutes, ten seconds West (S 04° 57' 10" W) one thousand three hundred ninety and thirty-seven hundredths (1390.37) feet to a point, said point being the southwesterly corner to the last mentioned lands of said Trustees of Princeton University, thence;
- (3) Along the southerly line of the last mentioned lands, South seventy-one degrees, fifty-four minutes, nine seconds East (S 71° 54' 09" E) twenty-one and fifty-one hundredths (21.51) feet to a point, thence;
- (4) Along lands remaining to The Trustees of Princeton University the following eight (8) courses; South fifteen degrees, thirty-nine minutes, nine seconds East (S 15° 39' 09" E) one hundred twenty-five and thirty-seven hundredths (125.37) feet to a point, thence;
- (5) South thirty-three degrees, fifty-two minutes, fifty-two seconds West (S 33° 52' 52" W) one hundred eighteen and twenty-eight hundredths (118.28) feet to a point, thence;

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- (6) North seventy-five degrees, no minutes, sixteen seconds West (N 75° 00' 16" W) two thousand sixty-four and fifty-six hundredths (2064.56) feet to a point, thence;
- (7) North fourteen degrees, fifty-nine minutes, forty-four seconds East (N 14° 59' 44" E) six hundred twelve and no hundredths (612.00) feet to a point, thence;
- (8) North seventy-five degrees, no minutes, sixteen seconds West (N 75° 00' 16" W) three hundred five and no hundredths (305.00) feet to a point, thence;
- (9) North fourteen degrees, fifty-nine minutes, forty-four seconds East (N 14° 59' 44" E) three hundred thirty-five and no hundredths (335.00) feet to a point, thence;
- (10) South seventy-five degrees, no minutes, sixteen seconds East (S 75° 00' 16" E) three hundred five and no hundredths (305.00) feet to a point, thence;
- (11) North fourteen degrees, fifty-nine minutes, forty-four seconds East (N 14° 59' 44" E) six hundred forty-three and no hundredths (643.00) to the point and place of BEGINNING.

According to a description by Nassau Surveying Company, Inc., Land Surveyors, Princeton Research Park, Princeton, NJ 08540.

BEING portions of those premises identified as tracts 13 and 1 in the Deed dated March 30, 1951, from The Rockefeller Institute for Medical Research to The Trustees of Princeton University and recorded on April 3, 1951 in The Clerk's Office of the County of Middlesex, NJ in the Book of Deeds, Page 381 and c.

AND BEING indicated on the Plainsboro Township New Jersey Tax Map as Block 5, Lot 3.02.

EXHIBIT B
LEASE NO. DE-RL02-C#10328

EXHIBIT B TO LEASE AGREEMENT
EFFECTIVE ON OCTOBER 1, 1986 BETWEEN
THE TRUSTEES OF PRINCETON UNIVERSITY
AND THE UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED STATES
DEPARTMENT OF ENERGY

ENCUMBRANCES

The lease shall be under and subject to the following:

1. Reservations, grants, rights, and exceptions included in the deed dated March 30, 1951, and recorded on April 3, 1951, in the Clerk's Office of the County of Middlesex, New Jersey, in Book of Deeds 1552, Page 381 & c.
2. Right of Way Grant dated November 10, 1977, from The Trustees of Princeton University to The Robert Wood Johnson Foundation and recorded December 8, 1977, in the Clerk's Office of Middlesex County, New Jersey, in Book of Deeds 3010, page 170 & c.
3. Indenture of Easement granted by The Trustees of Princeton University to Elizabethtown Water Company recorded May 23, 1980, in the Clerk's Office of Middlesex County, New Jersey, in Book of Deeds 3144, page 62 & c.

EXHIBIT C
LEASE NO. DE-RL02-CH10328

EXHIBIT C TO LEASE AGREEMENT
EFFECTIVE ON OCTOBER 1, 1986 BETWEEN
THE TRUSTEES OF PRINCETON UNIVERSITY
AND THE UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED STATES
DEPARTMENT OF ENERGY

DESIGN & DEVELOPMENT CRITERIA

The Demised Premises are within the Princeton Forrestal Campus; the "Design and Development Criteria - Princeton Forrestal Center" ("Development Criteria") (attached hereto) are to be used as guidelines in the design and construction of Buildings and improvements on the Demised Premises. However, it must also be recognized that the nature of facilities required to carry out large-scale research and development work under the Current Contract requires some flexibility in the application of the Development Criteria. The relative isolation of the Demised Premises from other Forrestal buildings allows some limited flexibility in the application of the Development Criteria without adverse effect on nearby developments.

Specifically, the following criteria will supplement applicable portions of the Development Criteria:

- The architectural character of buildings will be allowed to reflect functional building use. As much as possible, functional research support facilities and non-permanent facilities, which would not be built to strict architectural standards, will be kept out of public view - away from the main entrance gate, or other non-screened areas.
- Every attempt will be made to keep buildings and other facilities less than 60 feet in height, and not to exceed the profile of the major tree cover surrounding the Demised Premises. Any proposed buildings or other facilities which would exceed 60 feet will be subject to University approval.
- Parking lots will be sized and allocated based upon the Government's requirements.
- Roadway, parking, walkway, and landscaping design and construction will be in accordance with the Government requirements and design criteria, with due consideration of the Development Criteria.
- All new facilities and any other improvements will be set back at least 30 feet from the northern boundary of the Demised Premises. No permanent facilities will be erected within 30 feet of other boundaries. In all

EXHIBIT C
LEASE NO. DE-RL02-CH10328

boundary areas, maximum growth of screening vegetation will be encouraged. Reasonable building setbacks from roads will be used, considering the Government's activities; in many cases, this may be less than 50 feet.

- Exterior lighting will be in accordance with the Government design standards. It should only be minimally visible from outside the Demised Premises and not draw attention to the facilities.

- Signs within the Demised Premises shall be in accordance with the Government's standards, with due consideration of the Development Criteria. Signs outside the Demised Premises will be subject to approval by the Princeton University Vice-President for Facilities.

- Fences for storage, safety, and security needs will be allowed. Where possible, these should be limited to areas removed from the public view and main entrance.

- Temporary utility lines may be installed above ground when advantageous. Such lines should be minimized and limited to areas removed from the public view and main entrance area.

- Construction within the Demised Premises will be carried out in accordance with the Government's criteria with due consideration for the Development Criteria. Construction will be accomplished so as to minimize any adverse visual or noise impact on the surrounding Forrestal Center.



Department of Energy
Princeton Site Office
P.O. Box 102
Princeton, New Jersey 08542

MODIFICATION M004
CONTRACT NO. DE-RL02-CH10328

Ms. Michelle D. Christy
Office of Research & Project Administration
Princeton University
4 New South Building
P.O. Box 36
Princeton, NJ 08544-0036

Dear Ms. Christy:

SUBJECT: DE-RL02-CH10328 - MODIFICATION NO. M004

The existing Lease, No.DE-RL02-CH10328 (hereinafter referred to as "Lease"), requires modification to reflect: the period of time cited in ARTICLE 3.04 - ANNUAL LEASE CHARGE. We propose the following:

- 1) The second sentence in Lease ARTICLE 3.04 - ANNUAL LEASE CHARGE, Paragraph (a)(i) is modified to now read as follows:

"The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2011 shall be in the amount of \$2,500,000.00."

To incorporate these changes:

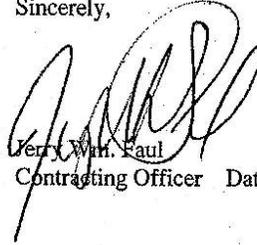
- replace LEASE AGREEMENT cover page;
- replace page 4 in it's entirety.

Ms. Michelle Christy

-2-

This letter modification, executed on behalf of the Government, is hereby forwarded in triplicate. If acceptable, kindly acknowledge acceptance on two originals hereof and return them to this office. The third original is for your retention.

Sincerely,



Jerry W. Paul
Contracting Officer Date: 8/30/06

ATTACHMENT

ACCEPTED:

THE TRUSTEES OF PRINCETON UNIVERSITY

BY: Michelle Christy TITLE: Director, O&A DATE: 8/30/2006

Modification M004
Lease No. DE-RL02-CH10328

the Government, Princeton shall provide reasonable notice to the Government of the termination OR relocation of any or all access roads.

(c) Princeton and the Government shall share the cost of providing additional access roads pursuant to this paragraph 3.02:

(i) Such costs shall be shared pro rata according to the respective acreage served by the additional access road(s); provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(ii) The Government agrees to pay its pro rata share of the cost of relocation of any additional access road according to the respective acreage served, if such relocation is required by any state or local government; provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(d) The Government shall pay its pro rata share according to the respective acreage served of all repair and maintenance costs in connection with the access roads.

3.03. Term.

The Term of this lease shall commence on October 1, 1986 (hereinafter called the "Commencement Date"), and shall expire 40 years after the Commencement Date (hereinafter called the "Expiration Date"), unless sooner terminated as hereinafter provided, at which time the Demised Premises shall be surrendered to Princeton. No renewal of this Lease shall be granted.

3.04 Annual Lease Charge.

(a) The Government shall pay to Princeton as the Lease charge for the Term of this Lease the following:

(i) The Government shall pay the Annual Lease Charge without offset, deduction, or demand on or before October 1 of each year of the Term; provided that in no event shall the Annual Lease Charge be paid after October 1, except as provided in paragraph 3.08 hereof. The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2011 shall be in the amount of \$2,500,000.00. Princeton's receipt of the first such payment is hereby acknowl-



Department of Energy
Princeton Area Office
P.O. Box 102
Princeton, New Jersey 08542-0102

MODIFICATION M003
CONTRACT NO. DE-RL02-CH10328

Dear Mr. Sinisgalli
Office of Research & Project Administration
Princeton University
5 New South Building
P.O. Box 36
Princeton, NJ 08544

Dear Mr. Sinisgalli:

SUBJECT: DE-RL02-CH10328 -- MODIFICATION NO. M003

The existing Lease, No. DE-RL02-CH10328 (hereinafter referred to as "Lease"), requires modification to reflect: the increase in the Annual Lease Charge; the addition of a 16.3 acre parcel of land to the Lease; the granting of a Water Line Easement by Princeton University (Princeton); and to update and correct the legal survey descriptions of the properties covered by the Lease. We propose the following:

- 1) The second sentence in Lease Article 3.04 ANNUAL LEASE CHARGE, Paragraph (a)(i) is modified to now read as follows:

"The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2006 shall be in the amount of \$2,500,000.00. "
- 2) In order to recognize the approximately 16.3 acres of land added to the original site for only environmental remediation purposes, the Lease is modified to add Lease Exhibit (D) (Lease Addendum with Attachment A, Survey page). As such, wherever it appears in the lease, the term "72.478 acres" is deleted and replaced with the term "88.762 acres."
- 3) Princeton and DOE agree to enter into good faith negotiations, within a reasonable period of time, regarding an extended site (C-Site and D-Site) security boundary and to specify the primary access road referred to in Article 3.02 of the Lease.

A component of the Chicago Operations Office

Mr. Allen J. Sinisgalli -2- MODIFICATION M003
CONTRACT NO. DE-RL02-CH10328

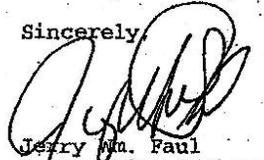
4) A GRANT OF WATER LINE EASEMENT is incorporated and attached to the Lease as Lease Exhibit (E).

To incorporate these changes:

- replace TABLE OF CONTENTS page;
- replace LEASE AGREEMENT cover page;
- add EXHIBIT D LEASE ADDENDUM;
- add EXHIBIT E – GRANT OF WATER LINE EASEMENT; and
- replace pages 1, 2, and 4 in their entirety.

This letter modification, executed on behalf of the Government, is hereby forwarded in triplicate. If acceptable, kindly acknowledge acceptance on three copies and return them including three executed originals of the water line easement to this office for signature. Upon my signature I will forward to you one modification including water line easement for your records.

Sincerely,



Jerry M. Faul
Contracting Officer
Date: 12/20/01

ATTACHMENT

ACCEPTED:

THE TRUSTEES OF PRINCETON UNIVERSITY

BY: Allen J. Sinisgalli TITLE: Lee Probert DATE: 1/19/02

Modification M003
 Contract No. DE-RL02-CH10328

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Modification M003
Contract No. DE-RL02-CH10328

Lease No. DE-RL02-CH10328

LEASE AGREEMENT

between

THE TRUSTEES OF PRINCETON UNIVERSITY

(Princeton)

and

THE UNITED STATES OF AMERICA

acting through the

United States Department of Energy

(Government)

PREMISES:

88.762 acres, more or less, Plainsboro Township, Middlesex
County, New Jersey.

Modification M003
Contract No. DE-RL02-CH10328

LEASE AGREEMENT

THIS LEASE AGREEMENT effective as of the 1st day of October, 1986, by and between THE TRUSTEES OF PRINCETON UNIVERSITY (hereinafter "Princeton"), and the UNITED STATES OF AMERICA, acting through the United States Department of Energy (hereinafter "the Government").

WITNESSETH THAT:

WHEREAS, Princeton is the owner in fee simple of certain land consisting of 88.762 acres, more or less, known as "C-Site" and "D-Site" and located on Princeton's Forrestal Campus in Plainsboro Township, Middlesex County, New Jersey as hereinafter described; and

WHEREAS, the Government is the owner of certain Buildings, improvements, and other property erected on "C-Site" and "D-Site"; and

WHEREAS, Princeton occupies the Buildings and operates and manages thereon the Princeton Plasma Physics Laboratory pursuant to Contract No. DE-AC02-76CH03073 with the Government; and

WHEREAS, Princeton and the Government acknowledge that it is in the mutual interest of the respective parties hereto to enter into this Lease; and

WHEREAS, the Government is authorized to enter into this Lease by law, including the Department of Energy Organization Act (Pub. L. No. 95-01).

NOW, THEREFORE, Princeton and the Government do mutually covenant, promise, and agree as follows:

SPECIAL LEASE TERMS AND CONDITIONS

ARTICLE 1 - DEFINITIONS

(a) Annual Net Fair Rental Value: The Annual Net Fair Rental Value determined by a Qualified Real Estate Appraiser pursuant to Article 3 hereof.

Modification M003
Contract No. DE-RL02-CH10328

LEASE AGREEMENT

(b) Buildings: Those Buildings located on the portion of the Princeton Forrestal Campus known as "C-Site" and "D-Site" which are owned by the Government.

(c) C-Site and D-Site: That certain portion of land consisting of 88.762 acres, more or less, owned in fee simple by Princeton, located on the University's Forrestal Campus in Plainsboro Township, Middlesex County, New Jersey as more fully described in Exhibit A hereto (sometimes referred to herein as the demised Premises").

(d) Current Contract: Contract No. DE-AC02-76CH03073 between the Government and Princeton, as modified from time to time, for the performance of certain research and development.

(e) Contracting Officer: A person, acting on behalf of the Department of Energy or any successor agency, with the authority to enter into, administer, and/or terminate this Lease, and make related determinations and findings.

(f) Contractor: The person or entity contracting with the Government for research and development to be conducted on the Demised Premises under the Current Contract or any other contract.

(g) Imposition(s): All taxes, assessments, fees, and other charges imposed on the Demised Premises as provided in Article 6 hereof.

(h) Lease: This Lease Agreement entered into between Princeton and the Government.

(i) PPPL: Princeton Plasma Physics Laboratory, an organizational unit of Princeton University which performs the work under the Current Contract.

(j) Qualified Real Estate Appraiser: A person who regularly renders pertinent commercial real estate appraisals and who is an accredited Member of the Appraisal Institute (MAI).

(k) Annual Lease Charge: The amount due from the Government on October 1 of each year of the Term in accordance with Article 3 hereof.

(l) Term: The Term of this Lease as provided in Article 3 hereof.

Modification M003
Contract No. DE-RL02-CH10328

the Government, Princeton shall provide reasonable notice to the Government of the termination or relocation of any or all access roads.

(c) Princeton and the Government shall share the cost of providing additional access roads pursuant to this paragraph 3.02:

(i) Such costs shall be shared pro rata according to the respective acreage served by the additional access road(s); provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(ii) The Government agrees to pay its pro rata share of the cost of relocation of any additional access road according to the respective acreage served, if such relocation is required by any state or local government; provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(d) The Government shall pay its pro rata share according to the respective acreage served of all repair and maintenance costs in connection with the access roads.

3.03. Term.

The Term of this lease shall commence on October 1, 1986 (hereinafter called the "Commencement Date"), and shall expire 40 years after the Commencement Date (hereinafter called the "Expiration Date"), unless sooner terminated as hereinafter provided, at which time the Demised Premises shall be surrendered to Princeton. No renewal of this Lease shall be granted.

3.04 Annual Lease Charge.

(a) The Government shall pay to Princeton as the Lease charge for the Term of this Lease the following:

(i) The Government shall pay the Annual Lease Charge without offset, deduction, or demand on or before October 1 of each year of the Term; provided that in no event shall the Annual Lease Charge be paid after October 1, except as provided in paragraph 3.08 hereof. The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of 1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2006 shall be in the amount of \$2,500,000.00. Princeton's receipt of the first such payment is hereby acknowl-

EXHIBIT D LEASE ADDENDUM TO
LEASE AGREEMENT BETWEEN THE
TRUSTEES OF PRINCETON UNIVERSITY
AND THE UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED STATES
DEPARTMENT OF ENERGY

Modification No. M003
Contract No. DE-RL02CH10328

Lease Addendum

WHEREAS this Lease Addendum is designed to set forth the mutual understandings of The Trustees of Princeton University ("Princeton") and the United States Department of Energy ("DOE") with respect to the Property described in the attached Exhibit A (the "Property"); and

WHEREAS pursuant to a Lease dated February 3, 1987 and denominated as Lease No. DE-RL02-CH10328 ("the "Lease") the DOE has leased property from Princeton known as C and D sites in Plainsboro Township (the "Leased Premises"); and

WHEREAS pursuant to Contract No. DE-AC02-76CH03073 (the "Contract") Princeton has conducted work for DOE at the Leased Premises which work has resulted in certain pollution concerns present at the Property adjacent to the Leased Premises described in Exhibit A; and

WHEREAS the parties desire to resolve the pollution concerns at the Property as soon as practicable.

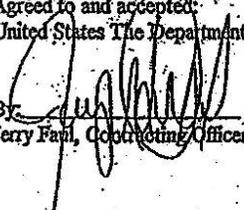
Nowherefore in consideration of the mutual promises contained herein the parties agree as follows:

1. In order to facilitate DOE's delineation and cleanup, Princeton University agrees to add the Property to the Leased Premises by this Lease Addendum at no additional lease charge to the DOE. Therefore, the Property shall be excluded from all future lease charge calculations for the Leased Premises. Except as otherwise specifically provided herein, all the terms and conditions of the Lease shall be applicable to the Property and are incorporated herein by reference and made a part hereof. The description of the Leased Premises is amended to include the Property.
2. The term of the lease of the Property to the DOE shall be coextensive with that of the Leased Premises provided, however, that upon issuance by the NJDEP of a No Further Action letter or its equivalent with respect to the Property the lease of the Property to the DOE pursuant to this Lease Addendum shall terminate, and the Property shall revert to Princeton by operation of law and the Property shall no longer be part of the Lease.
3. The Property is added to the Leased Premises solely for remediation purposes. No use of the Property is permitted other than in connection with remediation of the pollutants.

Modification No. DE-RL02CH10328

4. The DOE agrees to consult with and obtain the approval of Princeton University in advance of making any changes to the Property, such as cutting down trees or installing wells or placing any temporary structures on the property which may be necessary in connection with the cleanup. The DOE agrees not to place any permanent buildings or structures of any kind or nature on the Property during the term of the Lease. The cleanup of the Property shall be accomplished expeditiously and to the satisfaction of the NJDEP.
5. The DOE and Princeton University each agrees to provide the other with open access to the Property at all times for the purpose of accomplishing the conditions of this Lease Addendum and of monitoring the performance of the conditions of this Lease Addendum, respectively.
6. A copy of this Lease Addendum shall be attached to the Contract as a Modification to Appendix K of the Contract.

Agreed to and accepted:
United States The Department of Energy

By: 
Jerry Fahl, Contracting Officer

The Trustees of Princeton University

By: 
Allen J. Sinigall, Associate Provost for
Research and Project Administration

EXHIBIT D ATTACHMENT A TO
LE 3 ADDENDUM BETWEEN THE
TRUSTEES OF PRINCETON UNIVERSITY
AND THE UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED STATES
DEPARTMENT OF ENERGY

Modification No. M003
Contract No. DE-RL02CIII032



ZENITH SURVEY
Land Surveying, Planning, Consulting
132 E. Clinton Street
Clayton, New Jersey 08312
(856) 881-8677
Fax No. (856) 863-0844
Wayne W. Burgett, PLS, PP

New Site

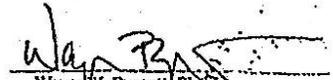
All that certain lot, parcel or piece of land, with the improvements thereon erected, situate, lying and being in the Township of Plainsboro, County of Middlesex, State of New Jersey, being more particularly described as follows:

COMMENCING at a point on the easterly line of New Jersey State Highway, U.S. Route #1 (100' wide), said point being the northwesterly corner of Lot 3.03, Block 5, of said Township; said point also being the southwestery corner of Lot 65, of said Block; thence 1) along the northerly line of said Lot 3.03, South 75°00'16" East distant 2140.36 feet, to a point being the northwesterly corner of C-Site, Plasma Physics Laboratory, as shown on a map titled "Plan Showing C&D Site Boundary Survey for Princeton University James Forrestal Center", prepared by Nassau Surveying Company, dated April 9, 1987; thence 2) along the boundary lines of said Plasma Physics Laboratory, as shown on said map, for the following six courses; South 14°59'44" West, a distance of 643.00 feet; thence 3) North 75°00'16" West, a distance of 305.00 feet; thence 4) South 14°59'44" West, a distance of 335.00 feet; thence 5) South 75°00'16" East, a distance of 305.00 feet; thence 6) South 14°59'44" West, a distance of 612.00 feet; thence 7) South 75°00'16" East, a distance of 275.00 feet, to the POINT OF BEGINNING; thence

1. Continuing along said boundary lines South 75°00'16" East, a distance of 1789.56 feet, to the southeasterly corner of said Plasma Physics Laboratory; thence
2. South 78°13'47" West, a distance of 1332.31 feet; thence
3. North 75°00'16" West, a distance of 600.00 feet; thence
4. North 14°59'44" East, a distance of 600.00 feet, to the POINT OF BEGINNING.

Containing 716, 868 Square Feet or 16.457+- Acres.

BEING a portion of said Lot 3.03, as shown on said map.


Wayne W. Burgett, PLS
NJ License #31654

Modification M003
Contract No. DE-RL02-CH10328

EXHIBIT E TO LEASE AGREEMENT
BETWEEN THE TRUSTEES OF
PRINCETON UNIVERSITY AND THE
UNITED STATES OF AMERICA
ACTING THROUGH THE UNITED
STATES DEPARTMENT OF ENERGY

GRANT OF WATER LINE EASEMENT

THIS GRANT OF WATER LINE EASEMENT ("Grant of Easement") from THE TRUSTEES OF PRINCETON UNIVERSITY, a not for profit corporation in the State of New Jersey, whose address is 1 Nassau Hall, Princeton, New Jersey 08544 (hereinafter referred to as the "Grantor") and THE UNITED STATES OF AMERICA, acting through the United States Department of Energy, whose Princeton Area Office's address is PO Box 102 Princeton, New Jersey 08542-0102, (hereinafter referred to as the "Grantee")

WITNESSETH:

WHEREAS, Grantor is the owner of certain parcels of land located in the Township of Plainsboro, County of Middlesex, State of New Jersey, known and designated as Lot 4.02, in Block 2, Lots 1.04 and 1.60, in Block 3, and Lots 3.26, 3.27, 3.28, 3.34, and 3.35, in Block 5, on the Tax Map of the Township of Plainsboro which property is more particularly described in Schedule A attached hereto and made a part hereof (hereinafter referred to as "Grantor's Land"); and

WHEREAS, pursuant to a lease agreement between the Grantor and the Grantee, dated October 1, 1986 (hereinafter referred to as the "Lease"), Grantee leases from the Grantor a certain parcel of land, containing approximately 88.762 acres, in the Township of Plainsboro, County of Middlesex, State of New Jersey, known and designated as part of Lot 3.27, in Block 5, on the Tax Map of the Township of Plainsboro (hereinafter referred to as "Grantee's Leased Land"), and

WHEREAS, Grantee desires to obtain an easement over a portion of the Grantor's Land (within the Easement Area hereinafter defined) for the purpose of maintaining, replacing, repairing, inspecting, operating and using a water line and pump station (the pump station being located exclusively on Lot 4.02, in Block 2) (collectively hereinafter referred to as, the "Water Line Facilities") to serve improvements on the Grantee's Leased Land;

Modification M003
Contract No. DE-RL02-CH10328

EXHIBIT E TO LEASE AGREEMENT

NOW, THEREFORE, in consideration of ONE (\$1.00) DOLLAR and other good and valuable consideration paid by Grantee to Grantor, the receipt of which is hereby acknowledged, and the mutual covenants contained herein, Grantor and Grantee do mutually covenant and agree as follows:

1. Grant of Easement. The Grantor hereby gives and grants to Grantee a nonexclusive, free and uninterrupted right, liberty, privilege and easement, the same to be appurtenant to and run with Grantee's Leased Land, to use that portion of Grantor's Land, more particularly described in Schedule B attached hereto and made a part hereof (hereinafter referred to as the "Easement Area") for the purpose of maintaining, replacing, repairing, inspecting, operating and using the Grantee's Water Line Facilities within the Easement Area. Grantee shall have the exclusive right to use the Water Line Facilities except to the extent that the Water Line Facilities presently serve facilities on the Grantor's Land and except as otherwise provided in this grant of Easement.

This Easement is for the duration, and as may be extended or reduced, of the Lease No. DE-RL-02-CH10328, currently expiring September 30, 2026, or as otherwise terminated in accordance with Section 6 of this Easement.

2. Maintenance and Repair. Grantee agrees to promptly repair or cause to be repaired any damage to the Easement Area caused by the Grantee's (or Grantee's employees or agents) alteration, maintenance, replacement, repair, inspection, operation or use of the Water Line Facilities, or other exercise of Grantee's rights hereunder, and to restore or cause to be restored, the Easement Area substantially to its former condition (subject to the Water Line Facilities) and Grantee shall maintain, or cause to be maintained in good condition and repair all of the Water Line Facilities, all at the sole cost and expense of Grantee except as specified herein and below. Grantee shall not be responsible for any damages to improvements to the surface of the Easement Area hereafter made by Grantor (or Grantor's agent, or any other party given a right of way, easement or any other property right or interest by Grantor) if and only if such damage necessarily occurs during the course of Grantee's alteration, maintenance, replacement, repair, inspection, operation or use of the Water Line Facilities, or other exercise of Grantee's rights hereunder. Except for emergent circumstances requiring immediate alteration, maintenance, replacement, repair, or inspection, Grantee shall give Grantor thirty days (30) advance notice of any such activity to be conducted under this subparagraph.

Modification M003
Contract No. DE-RL02-CH10328

EXHIBIT E TO LEASE AGREEMENT

Grantor agrees to promptly repair or cause to be repaired, at no cost to the Grantee, any damage to the Easement Area, as necessary, and Water Line Facilities caused solely and directly by the Grantor's (or Grantor's agent, or any other party given a right of way, easement or any other property right or interest by Grantor) alteration, maintenance, replacement, repair, inspection, operation or use of the Water Line Facilities or Easement Area, or other exercise of Grantor's rights hereunder.

Grantor, at its own costs, shall be responsible for maintaining the fire hydrants located on a portion of Grantor's Land known as "B Site" land which are a part of the Water Line Facilities. Grantor and Grantee agree that these Grantee-owned fire hydrants may be used on an "as is" condition by the Grantor in the event of a fire emergency. The Grantee makes no promise or guarantee regarding the proper operating condition or fitness for use of the fire hydrants or any other portion of the Water Line Facilities for fire fighting purposes. DOE shall not be required to maintain the fire hydrants for their originally intended purpose, as useable and operating fire hydrants, nor shall Grantee be required to maintain the Water Line Facilities for the purpose of fire fighting.

Grantor agrees to flow down, include, and make a continuing condition this Section of the Easement, Section 2, in any real estate sale, lease, easement, transfer, or other property right or interest given to another party in the Easement Area.

3. Availability of Funds. The obligations and liabilities of the Grantee under this Easement shall be subject to the availability of appropriated funds. The Grantee agrees to use its best efforts to secure appropriations sufficient for payment of all obligations and liabilities arising hereunder.

4. Indemnification. With the incorporation of the Grant of Easement into the Lease, Article 19 of Lease No. DE-RL02-CH10328 applies to this Easement.

5. Grantor's Rights. Grantor reserves unto itself and its successors and assigns the following rights with respect to the Easement Area:

- a. To use the surface of the Easement Area in any manner whatsoever so long as such use shall not interfere with the rights herein granted, including, without limitation, to layout and pave roads, driveways and parking areas therein and to otherwise pave the surface thereof and to install fences thereon; provided, however, that Grantor shall not have the right to build any building thereon without first obtaining the written permission of Grantee.

Modification M00,
Contract No. DE-RL02-CH10328

EXHIBIT E TO LEASE AGREEMENT

- b. To alter or change the grade of the Easement Area from time to time so long as such change shall not interfere with the rights herein granted; provided, however, Grantor shall give Grantee thirty (30) days advance notice of any activity to be conducted under this subsection 5b.
 - c. To grant utility companies the right to use portions of the Easement Area in common with the Grantee, for the purpose of the installation, operation, repair, replacement, maintenance and inspection of utility facilities. Except for emergent circumstances requiring immediate replacement or repair, Grantor shall give Grantee thirty days (30) advance notice of any activity to be conducted under this subsection 5c.
 - d. Grantor recognizes that Grantee is the owner of the Water Line Facilities. Grantor shall not close, reroute, move, tie into, or connect with the Water Line Facilities without Grantee's prior written approval. Should any such approval be given by Grantee, the terms and conditions associated with that specific approval shall be included in the written approval.
6. Termination. This Grant of Easement shall terminate automatically upon expiration of the Lease.
7. Interpretation. The captions and headings of the paragraphs hereof are for convenience only and shall not control or affect the meaning or construction of any of terms or provisions of this Grant of Easement.
8. Choice of Law. With the incorporation of the Grant of Easement into the Lease, Article 16.04 of Lease No. DE-RL02-CH10328 applies to this Easement.
9. Conflict. In the event of a conflict between the specific terms and conditions of the Water Line Easement and the Lease, the terms and conditions of the Lease shall govern.
10. Binding Effect. This Grant of Easement shall be binding and inure to the benefit of Grantor and Grantee and their respective successors and assigns. The Grantor agrees to include, as a binding condition, this Water Line Easement in any sale, lease, transfer, easement, right or way, or any other property right or interest given by Grantor to another party.

Modification M003
Contract No. DE-RL02-CH10328

EXHIBIT E TO LEASE AGREEMENT

(b) this document was signed and made by the
corporation as its voluntary act and deed by virtue of authority
from its Board of Trustees.

Sworn to and subscribed
Before me this day
of *December 13* 2001

Maria A. Messler

MARIA A. MESSLER
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 3/15/2004

ACKNOWLEDGMENT OF UNITED STATES GOVERNMENT
TO BE INSERTED HERE.



Department of Energy
Princeton Group
P.O.Box 102
Princeton, New Jersey 08542-0102

MODIFICATION M002
CONTRACT NO. DE-RL02-CH10328

Mr. Allen J. Sinisgalli
Office of Research & Project Administration
Princeton University, Main Campus
5 New South Building
P.O. Box 36
Princeton, New Jersey 08544

Dear Mr. Sinisgalli:

SUBJECT: DE-RL02-CH10328 - MODIFICATION NO. M002

We propose the following:

- 1) The second sentence in ARTICLE 3.04 ANNUAL LEASE CHARGE, Paragraph (a)(i) is deleted in its entirety and replaced as follows:

"The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00."

To implement the change, remove page 4 and replace with the enclosed page 4.

- 2) The following paragraph is added to ARTICLE 3.08 AVAILABILITY OF APPROPRIATED FUNDS:

"In the event that sufficient appropriated funds are available for payment of the Annual Lease Charge due October 1st, Princeton agrees to delay a draw down from the Letter of Credit until such time as the Government executes a contract modification, but in no event shall such grace period exceed 15 days beyond the due date."

To Implement the change remove page 7 and replace with the enclosed page 7.

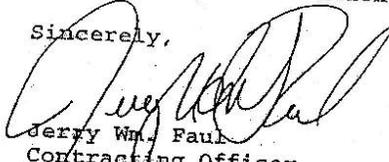
"First, Foremost, Focused"

Mr. Allen J. Sinisgalli

-2-

This letter, executed on behalf of the Government, is hereby forwarded in triplicate. If acceptable, kindly acknowledge acceptance on two copies hereof and return them to this office as soon as possible. The third copy is for your retention.

Sincerely,



Jerry W. Faul
Contracting Officer

Date: ~~NOV 22, 1995~~

ATTACHMENT

ACCEPTED:

THE TRUSTEES OF PRINCETON UNIVERSITY

BY: Allen J. Sinisgalli

Allen J. Sinisgalli DATE: 11/28/95
Associate Provost for
Research & Project Admin.



Department of Energy
Princeton Area Office
P.O. Box 102
Princeton, New Jersey 08542-0102

MODIFICATION M001
CONTRACT NO. DE-RL02-CH10328

Mr. Allen J. Sinisgalli
Office of Research & Project Administration
Princeton University, Main Campus
5 New South Building
P.O. Box 36
Princeton, New Jersey 08544

Dear Mr. Sinisgalli:

SUBJECT: DE-RL02-CH10328 - MODIFICATION NO. M001

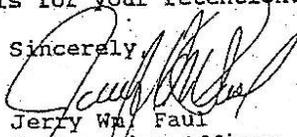
The second sentence in ARTICLE 3.04 ANNUAL LEASE CHARGE, Paragraph (a)(1) is deleted in its entirety and replaced as follows:

"The Annual Lease Charge for the ten year period beginning October 1, 1986 and ending September 30, 1996 shall be in the amount of \$1,771,000.00."

To implement the change remove page 4 and replace with the enclosed page 4.

This letter, executed on behalf of the Government, is hereby forwarded in triplicate. If acceptable, kindly acknowledge acceptance on two copies hereof and return them to this office as soon as possible. The third copy is for your retention.

Sincerely,


Jerry W. Faul
Contracting Officer
Date: 2/13/91

ATTACHMENT

ACCEPTED:

THE TRUSTEES OF PRINCETON UNIVERSITY

BY: Allen J. Sinisgalli TITLE: Associate Provost for Research & Project Admin. DATE: 2/24/91

Modification No M060
Contract No.: DE-AC02-09CH11466
Section J – Appendix E



Department of Energy
Princeton Site Office
P.O. Box 102
Princeton, New Jersey 08542-0102

MODIFICATION NO. M005
CONTRACT NO. DE-RL02-CH10328

Mr. Paul LaMarche
Office of the Provost
4 Nassau Hall
Princeton University
Princeton, NJ 08544

Dear Mr. LaMarche:

SUBJECT: DE-RL02-CH10328-MODIFICATION NO. M005

The existing Lease, No. DE-RL02-CH10328 (hereinafter referred to as "Lease"), requires Modification to reflect the attached four page lease addendum which will be added to the Lease as Exhibit F.

To incorporate these changes:

- replace TABLE OF CONTENTS page;
- add Exhibit F

This letter modification, executed on behalf of the Government, is hereby forwarded in quadruplicate. If acceptable, kindly acknowledge acceptance on four originals hereof, initial each unsigned page and return them to this office.

Sincerely,

A handwritten signature in cursive script that reads "Joseph Arango".

Joseph Arango,
Acting Site Manager
Date: 9/27/10

Attachments:
Exhibit F
Table of Contents page

Modification M005
Contract No. DE-RL02-CH10328

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Modification M005
Contract No. DE-RL02-CH10328

EXHIBIT F

LEASE ADDENDUM

TO LEASE AGREEMENT BETWEEN THE TRUSTEES OF PRINCETON UNIVERSITY AND THE UNITED STATES OF AMERICA ACTING THROUGH THE UNITED STATES DEPARTMENT OF ENERGY

Lease Addendum

WHEREAS pursuant to a Lease dated February 3, 1987 and denominated as Lease No. DE-RL02-CH10328 (Lease) the DOE has leased property from Princeton known as C and D sites in Plainsboro Township (Leased Premises) that constitutes the location for the DOE's Princeton Plasma Physics Laboratory (PPPL); and,

WHEREAS pursuant to Contracts Nos. DE-ACO2-76CH03073 and DE-AC02-09CH11466 (collectively the "Contract") Princeton has conducted work for DOE at the Leased Premises; and,

WHEREAS, this Lease Addendum, Exhibit F to the Lease, is designed to set forth the mutual understandings of the Trustees of Princeton University (Princeton) and the United States Department of Energy (DOE), together known as the Parties, with respect to Property described in Attachment A (Property) to this Addendum; and,

WHEREAS, the Property is located adjacent to PPPL and the Leased Premises. Princeton and DOE deem it necessary in the interest of the common defense and security to establish a security buffer that will ensure that all vehicles and passengers, pedestrians, bicyclists, and others entering the access roadway serving PPPL at the intersection of Stellarator Road and Campus Road of Princeton University's Forrestal Campus are employees, contractors, subcontractors, agents, licensees, invitees, authorized personnel, representatives, scheduled deliveries, or necessary equipment for PPPL or DOE. PPPL's security personnel would perform visual identification and, when required, searches of incoming vehicles and persons to protect and preserve the security of PPPL and DOE personnel and property and are desirous of conducting certain activities on those lands; and,

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:


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Modification No M060
Contract No.: DE-AC02-09CH11466
Section J – Appendix E

Modification M005
Contract No. DE-RL02-CH10328

1. In order to facilitate the Parties' interests in common defense and security for PPPL, Princeton agrees to add the Property to the Leased Premises by this Lease Addendum, at no additional lease charge to DOE. Therefore, the Property shall be excluded from all future lease charges and lease charge calculations for the Leased Premises. Except as otherwise specifically provided herein, all terms and conditions of the Lease shall be applicable to the Property and are incorporated by reference and made a part hereof. The description of the Leased Premises is amended to include the Property.

2. The term of the lease of the Property shall be coextensive with that of the Leased Premises provided, however, the Parties specifically agree that in addition to termination provisions already included within the Lease, either of the Parties may terminate this Lease Addendum with 60 days prior written notice to the other if Princeton requires control of the Property in connection with the building of certain roadways on or near the Property. If so terminated by either of the Parties, the Property shall revert to Princeton by operation of law and the Property shall no longer be part of the Lease. In the event that the DOE requires an alternate location for a security buffer at the completion of such roadways, the Parties shall negotiate in good faith to facilitate the establishment of such alternate location. During the term of this Lease, Princeton shall have the right to access the Property in connection with plans to design, engineer and construct roadways, such as the one between the northern end of Campus Road and College Road East.

3. The Property is added to the Leased Premises solely for security reasons and measures and to act as a security buffer for PPPL. No other use of the Property is permitted other than in connection with security for PPPL. No building, structure, improvement, wall, fence, sign, exterior lighting or clearing of trees or brush (collectively, "Improvements") shall be commenced, erected or maintained on the Property without Princeton's prior written approval. The cost of performing the approved activities is the sole obligation of the DOE as well as any expense of preparing the Property for those activities. DOE, at DOE's sole cost and expense, will take good care of the Property and the improvements erected upon the Property, and will make all necessary repairs thereto. Upon termination of the Lease for the security buffer area, as shown on Exhibit A, the DOE shall remove all of its equipment, fixtures, appurtenances and other improvements furnished and installed on the Property in connection with the DOE's activities under this Lease. The DOE shall restore the Property when such restoration is required in connection with the DOE's activities, to the extent reasonably practical, to the condition existing prior to the initiation of the DOE's activities. In the event DOE does not restore the Property, Princeton may restore the Property and DOE shall pay Princeton for all reasonable costs associated with such restoration. With the written advance consent of Princeton, the DOE may abandon DOE-owned equipment, fixtures, appurtenances, and other improvements in place in lieu of restoration.



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Modification M005
Contract No. DE-RL02-CH10328

4. Princeton and DOE designate the individuals occupying the positions stated to serve as their respective representatives in the approval process:

Princeton:
Paul LaMarche
Office of the Provost
4 Nassau Hall
Princeton University
Princeton, NJ 08544

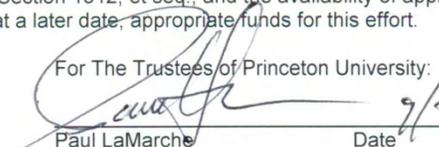
With a copy to:
Hannah S. Ross, Esq.
University Counsel
Office of the General Counsel
120 Alexander St.
Princeton, NJ 08540

For the DOE:
The Princeton Site Office Manager
PO Box 102
Princeton, NJ 08542-0102

5. The DOE and Princeton each agree to provide the other with open access to the Property at all times, except as noted herein, for the purpose of accomplishing the conditions of this Lease Addendum and the establishment and operation of a security buffer for PPPL. It is expressly understood by the Parties that during the term of the Lease, Princeton shall have the right to access the Property in connection with plans to design, engineer and construct roadways, such as one between the northern end of Campus Road and College Road East. The Parties recognize that during "severe" and "high" security conditions, as issued by the Homeland Security Advisory System or any similar successor advisory system, Princeton's right of access may be curtailed as long as the "severe" or "high" security condition exists. DOE shall provide Princeton with notice of when and if such a condition is declared.

6. DOE's present and future obligations under this Lease Addendum are subject to the requirements of the Anti-Deficiency Act, 31 U.S.C. Section 1512, et seq., and the availability of appropriated funds. There is no guaranty that Congress will, at a later date, appropriate funds for this effort.

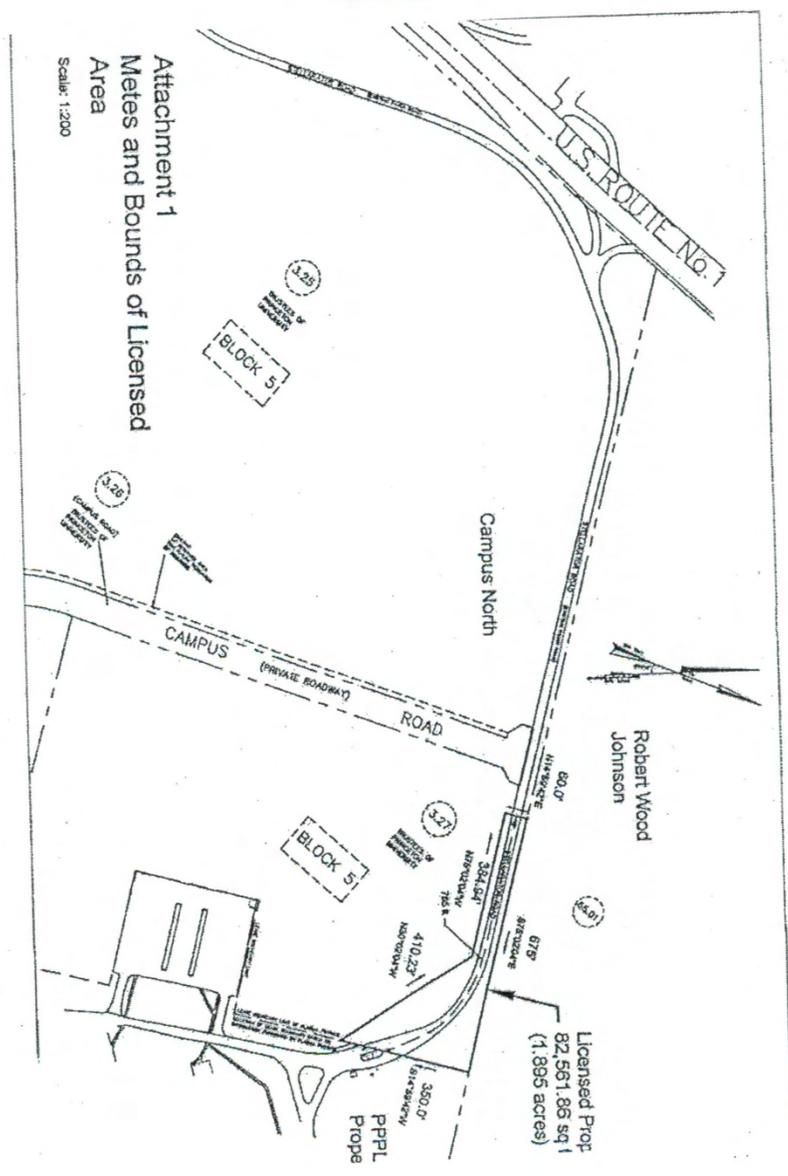
For The Trustees of Princeton University:


Paul LaMarche Date 9/27/10
Vice Provost, Space Programming & Planning

For the United States Department of Energy:


Joseph Arafgo Date 9/27/10
Acting Site Manager, Princeton Site Office

Modification M005
Contract No. DE-RL02-CH10328
Exhibit F To Lease Agreement
Attachment A





Department of Energy
Princeton Site Office
P.O. Box 102
Princeton, New Jersey 08542-0102

MODIFICATION M006
CONTRACT NO. DE-RL02-CH10328

Mr. Jeffrey Friedland , Director
Office of Research & Project Administration
4 New South Building
Princeton, NJ 08544-0036

Dear Mr. Friedland:

SUBJECT: DE-RL02-CH10328 - MODIFICATION NO. M006

The existing Lease, No.DE-RL02-CH10328 (hereinafter referred to as "Lease"), requires modification to revise the period of time cited in ARTICLE 3.04 - ANNUAL LEASE CHARGE. We propose the following:

- 1) The second sentence in Lease ARTICLE 3.04 - ANNUAL LEASE CHARGE, Paragraph (a)(i) is modified to now read as follows:

"The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2016 shall be in the amount of \$2,500,000.00."

To incorporate these changes:

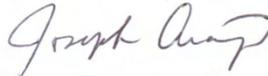
- replace TABLE OF CONTENTS page;
- replace page 4 in it's entirety.

Mr. Jeffrey Friedland

-2-

This letter modification, executed on behalf of the Government, is hereby forwarded in quadruplicate. If acceptable, kindly acknowledge your acceptance on four originals hereof and return them to this office. We will return one fully signed original for your retention.

Sincerely,



Joseph Arango
Acting Site Manager Date: 11/10/10

ATTACHMENT

ACCEPTED:

THE TRUSTEES OF PRINCETON UNIVERSITY

Jeffrey Friedland

Director

Office of Research and

Project Administration

BY:  TITLE: _____ DATE: 11/2/10

Modification M006
Contract No. DE-RL02-CH10328

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Modification No M060
Contract No.: DE-AC02-09CH11466
Section J – Appendix E

Modification M006
Lease No. DE-RL02-CH10328

the Government, Princeton shall provide reasonable notice to the Government of the termination or relocation of any or all access roads.

(c) Princeton and the Government shall share the cost of providing additional access roads pursuant to this paragraph 3.02:

(i) Such costs shall be shared pro rata according to the respective acreage served by the additional access road(s); provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(ii) The Government agrees to pay its pro rata share of the cost of relocation of any additional access road according to the respective acreage served, if such relocation is required by any state or local government; provided that the Government shall pay the full cost of a Government required or requested upgrading of any such road beyond the standard specifications of Plainsboro Township.

(d) The Government shall pay its pro rata share according to the respective acreage served of all repair and maintenance costs in connection with the access roads.

3.03. Term.

The Term of this lease shall commence on October 1, 1986 (hereinafter called the "Commencement Date"), and shall expire 40 years after the Commencement Date (hereinafter called the "Expiration Date"), unless sooner terminated as hereinafter provided, at which time the Demised Premises shall be surrendered to Princeton. No renewal of this Lease shall be granted.

3.04 Annual Lease Charge.

(a) The Government shall pay to Princeton as the Lease charge for the Term of this Lease the following:

(i) The Government shall pay the Annual Lease Charge without offset, deduction, or demand on or before October 1 of each year of the Term; provided that in no event shall the Annual Lease Charge be paid after October 1, except as provided in paragraph 3.08 hereof. The Annual Lease Charge for the fifteen year period beginning October 1, 1986 and ending September 30, 2001 shall be in the amount of \$1,771,000.00. The annual lease charge beginning October 1, 2001 and ending September 30, 2016 shall be in the amount of \$2,500,000.00. Princeton's receipt of the first such payment is hereby acknowl-