



**County Board Agenda Item  
Meeting of February 20, 2010**

**DATE:** February 16, 2010

**SUBJECT:** Approval of Two License Agreements Between The County Board of Arlington County, Virginia, as Licensor, The Destination Sales and Marketing Group, Ltd., as Licensee, and The Convention Store, Inc., as Licensee, for Spaces in a Portion of a Building Located at 1501 Wilson Boulevard, Arlington, Virginia (RPC # 16033001).

**C. M. RECOMMENDATIONS:**

1. Approve the attached License Agreement (the "ATP License") between The County Board of Arlington County, Virginia, as Licensor, and The Destination Sales and Marketing Group, Ltd., as Licensee, for the Use of a Portion of 11,132 Square Feet of Office Space in a Portion of a Building Located at 1501 Wilson Boulevard, Arlington, Virginia (RPC # 16033001); and
2. Approve the attached License Agreement (the "CIC License") between The County Board of Arlington County, Virginia, as Licensor, and The Convention Store, Inc., as Licensee, for the Use of a Portion of 11,132 Square Feet of Office Space in a Portion of a Building Located at 1501 Wilson Boulevard, Arlington, Virginia (RPC # 16033001); and
3. Authorize the Real Estate Bureau Chief, or his designee, to execute, on behalf of the County Board of Arlington County, Virginia, the Amendment, the ATP License, the CIC License, and all related documents, all subject to approval as to form by the County Attorney.

**ISSUES:** County Board action is needed to approve two license agreements with two County contractors for the use of portions of office space leased by the County. The County Board previously approved the lease for this purpose, and the license agreements formalize the County's arrangement with the two contractors. No issues related to these items have been identified.

**SUMMARY:** This is a request for the County Board's approval of, and authorization for the Real Estate Bureau Chief, or his designee, to execute two license agreements for office space leased by the County Board of Arlington County, Virginia (the "County" or "County Board"), as a tenant, located on the 11<sup>th</sup> floor of the building presently known as 1501 Wilson Boulevard,

County Manager: BMD/MNA  
County Attorney: BAK/SAM  
Staff: Michael R. Halewski – Department of Environmental Services, Real Estate Bureau

12.

Arlington Virginia (the “Demised Premises”). The two license agreements provide the two current County contractors that operate the County Department of Environmental Services, Division of Transportation, Commuter Services Bureau’s Arlington Transportation Partners (“ATP”) and Commuter Information Center (“CIC”) programs, respectively, with permission to use portions of the Demised Premises in accordance with their contracts with the County. The ATP License is attached to this Report as “Attachment 1”, and the CIC License is attached to this Report as “Attachment 2”. The Demised Premises is located in a building on the northwest corner of the intersection of Wilson Boulevard and North Oak Street. Although the building’s physical address is 1501 Wilson Boulevard, the main building entrance is located on the west side of North Oak Street, one-half block north of Wilson Boulevard, between Wilson Boulevard and 18<sup>th</sup> Street North. The site location of the building and the Demised Premises is more particularly shown on the Vicinity Map attached to this Report as “Attachment 3”.

**BACKGROUND:** The County Board approved a Deed of Lease (the “Lease”) between Art Property Associates, LLC, as landlord (the “Landlord”), and the County Board, as tenant, for the lease of the Demised Premises, on January 24, 2009. The County Board approved the Lease to provide a new, long-term (i.e. ten years) office space for the County Department of Environmental Services, Division of Transportation, Commuter Services Bureau’s programs, including Arlington Transportation Partners (“ATP”) and Commuter Information Center (“CIC”) operations.

The County has an existing contract, Agreement No. 202-07 (the “ATP Contract”), with The Destination Sales and Marketing Group, Ltd. (the “ATP Contractor”), to operate the ATP program. The County also has an existing contract, Agreement No. 191-07 (the “CIC Contract”), with The Convention Store, Inc. (the “CIC Contractor”), to operate the CIC program. The ATP Contract and the CIC Contract obligate the County to provide the two respective County contractors with office space to operate the ATP and CIC programs. The County entered into the Lease to provide long-term office space for the ATP and CIC programs. The ATP License and the CIC License contain the appropriate terms to allow the ATP Contractor and CIC Contractor to occupy portions of the Demised Premises as office space for the operation of the ATP and CIC programs.

The ATP Contractor’s and the CIC Contractor’s offices had been co-located in office space leased by the County at 1735 N. Lynn Street. The programs had outgrown the small North Lynn Street location. The Demised Premises were leased by the County Board for the purpose of relocating the ATP Contractor and the CIC Contractor into office space of a suitable size. The Demised Premises has received a LEEDS Silver level certification for commercial interiors.

A number of procedural, non-substantive factors contributed to a delay in formalizing the license agreements after the County leased the space. The contractors are now occupying the space and the license agreements merely formalize the arrangement.

**DISCUSSION:** The attached ATP License and CIC License have been structured to: 1) provide the ATP Contractor and CIC Contractor with office space per the County’s contract obligations; 2) protect the County’s rights and needs as a local government; and 3) be consistent with the

office uses permitted by the Lease. Some of the pertinent provisions of the Licenses are as follows:

- The ATP License permits the ATP Contractor to use 4,602 square feet of the Demised Premises exclusive of other County contractors;
- The CIC License permits the CIC Contractor to use 3,487 square feet of the Demised Premises exclusive of other County contractors;
- The ATP License and the CIC License permit the ATP Contractor and the CIC Contractor to share the use of 3,139 square feet of the Demised Premises;
- The term of the ATP License shall run until July 31, 2010, and, if the ATP Contract is extended by the County, then the ATP License shall automatically extend for an equal period of time as the ATP Contract extension;
- The term of the CIC License shall run until June 30, 2010, and, if the CIC Contract is extended by the County, then the ATP License shall automatically extend for an equal period of time as the ATP Contract extension;
- The ATP License shall automatically terminate upon the termination of the Lease or the ATP Contract; the CIC License shall automatically terminate upon the termination of the Lease or the CIC Contract;
- The County, the ATP Contractor, and the CIC contractor may terminate the respective license agreements by providing the non-terminating party with thirty (30) days prior written notice of termination;
- The ATP Contractor and CIC Contractor will only use their respective licensed premises for general office purposes, and not for any purposes prohibited by law or the Lease;
- The ATP License and the CIC License are subordinate to the Lease, and the ATP Contractor and the CIC Contractor must at all times comply with the terms of the Lease;
- The ATP Contractor and the CIC Contractor are obligated to maintain the license premises and the equipment therein, and to ensure that access to their respective license premises are properly secured;
- The ATP Contractor and the CIC Contractor must maintain commercially reasonable levels of insurance;
- The ATP License and the CIC License specifically provide that the County Board does not waive its rights as a local government.

**FISCAL IMPACT:** None.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "License"), dated this 8<sup>th</sup> day of October, 2009, by and between **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic (the "Licensor") and **THE DESTINATION SALES AND MARKETING GROUP, LTD.**, a Virginia corporation (the "Licensee").

RECITALS

WHEREAS, the Licensor and the Licensee entered into an agreement, titled, "Agreement No. 202-07", dated September 7, 2007, a copy of which is attached hereto as Exhibit A (the "Agreement"), whereby the Licensee agrees to, among other things, operate the employer service and outreach program known as Arlington Transportation Partners; and

WHEREAS, the term of the Agreement ends on July 31, 2008, subject, however, to the Licensor's ability, upon the Licensee's satisfactory performance of its obligations under the Agreement, and with the consent of the Licensee, to extend the term of the Agreement for not more than nine (9) additional twelve (12) month periods from August 1, 2008 to July 31, 2017.

WHEREAS, per the terms of the Agreement, the Licensor agrees to provide the Licensee with office space, including all of the furnishings and equipment, including, but not limited to desks, chairs, systems furniture, brochure racks, bulletin boards, storage shelves, safes, personal computers, computer servers, printers, cash registers, credit card authorization communicators, telephone equipment, and office supplies; and

WHEREAS, by this License, the Licensor grants a license to the Licensee for the use of the License Premises, as hereinafter defined, and the Licensee accepts such license from the Licensor for the use the Licensed Premises pursuant to the terms and conditions herein.

WITNESSETH:

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and each with intent to be legally bound, the Licensor and the Licensee agree as follows:

1. Licensed Premises. In accordance with the Deed of Lease dated the 28th day of January, 2009, by and between ART PROPERTY ASSOCIATES, LLC, a Delaware limited liability company authorized to do business in the Commonwealth of Virginia ("Prime Landlord"), as Landlord, and Licensor, as Tenant (the "Prime Lease"), the Prime Landlord leased to the Licensor certain space containing approximately Eleven Thousand One Hundred Thirty-two (11,132) square feet (the "Premises") of the building located at 1501 Wilson Boulevard, Arlington, Virginia (the "Building"). The Licensor hereby grants to the Licensee permission to use, upon the terms hereinafter provided, the following portions of the Premises:

(a) Four Thousand Six Hundred Two (4,602) square feet of the Premises, exclusive of other licensees or contractors of the Licensor, but not excluding the Licensor or its employees (the "ATP Space"); and

(b) Three Thousand One Hundred Thirty-nine (3,139) square feet of the Premises, consisting of the common area corridors, restrooms, storage area, catering area, multi-purpose room, and hoteling/transient area, on a non-exclusive basis (i.e. to be used by the Licensee, the Licensor's other licensees, contractors, and employees) (the "Common Area"), as described in Exhibit A.

The above-described licensed areas (a) and (b) are hereinafter jointly referred to as the "Licensed Premises". The Premises and the Licensed Premises are more particularly shown on the floor plans attached hereto as Exhibit B-1 and Exhibit B-2. The Licensee accepts the Licensed Premises in its "AS IS" condition as of the License Commencement Date (as hereinafter defined). Subject to the terms of this License, the Licensee shall have non-exclusive access to and use of the Common Areas for the Permitted Uses described herein.

2. Term. The term of this License ("Term") shall begin on the date that this License is executed on behalf of the Licensor (the "License Commencement Date") and shall continue until July 31, 2010 (the "Expiration Date"), unless sooner terminated or revoked hereunder or as provided by law. Notwithstanding the foregoing, if the Licensor extends the term of the Agreement pursuant to the terms thereof, then, upon receipt by the Real Estate Bureau Chief, Department of Environmental Services, Engineering and Capital Projects Division (the "REB Chief") of written notice from the Licensee indicating that the term of the Agreement has been extended by the Licensor, then the Term of this License shall automatically extend for an equal period of time as the extension of the term of the Agreement. Further notwithstanding the foregoing, the Licensor may terminate this License for any reason or no reason upon thirty (30) days prior written notice to the Licensee without cost or liability to the Licensor whatsoever.

3. Permitted Uses. The Licensee is permitted to use the Licensed Premises solely for the purposes described in Article 6 of the Prime Lease ("Permitted Uses"), and in accordance with applicable zoning regulations, laws, rules, orders, ordinances and regulations of the Licensor, and of any applicable governmental authority, and of any landlord, and for no other purposes (including, but not limited to, in-person retail sales). Notwithstanding any provision in this License to the contrary, the Licensee shall not use or occupy the Licensed Premises for any unlawful purpose or for any purpose or use not specifically permitted by the Prime Lease, this License, and by the Agreement, as any of the foregoing documents may be amended.

4. License Fee. The Licensee shall pay to the Licensor, without set off, deduction or counterclaim, a fee of Ten and 00/100ths Dollars (\$10.00) ("Fee") per year. The Fee shall be payable in advance upon the License Commencement Date. The Fee, and all other amounts to be paid by the Licensee under this License, shall be made by certified or cashiers check payable to Treasurer, Arlington County, Virginia and paid at the address designated by the Licensor.

5. Compliance with Prime Lease/Indemnification of Prime Landlord.

(a) The Licensee shall at all times comply with all applicable provisions of the Prime Lease.

(b) This License is subject and subordinate to the Prime Lease. Without limiting the foregoing, and notwithstanding any provision of this License to the contrary, this License shall automatically terminate without cost or liability to the Licensors upon the expiration or earlier termination of the Prime Lease.

(c) The Licensee shall indemnify and hold the Prime Landlord and its shareholders, members, partners, contractors, licensees, invitees, ground lessors and the holder of any mortgage or deed of trust secured by the Building ("Mortgages"), and their respective employees, agents, officers and directors, harmless from and against all costs, damages, claims, liabilities and expenses, including attorneys' fees, suffered by or claimed against the Prime Landlord, directly or indirectly, based on, arising out of or resulting from: (i) the Licensee's use and occupancy of the Licensed Premises or the business conducted therein or the Licensee's presence in the Building, (ii) any act or omission of the Licensee or its employees, agents or invitees, and (iii) any breach or default by the Licensee in the observance or performance of this License.

6. Hazardous Materials.

(a) Definition. As used in this License, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable laws including oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons. For purposes of this License, Hazardous Materials shall include, but are not limited to, asbestos or asbestos containing materials.

(b) Payment of Damages:

(1) Notwithstanding anything contained in this License to the contrary, the Licensee agrees that it will pay to the Licensors (including any of the Licensors' elected and appointed officials, officers, employees or agents) all direct monetary damages for personal injury or property damage plus any statutory liability arising from the Licensee's acts or omissions that constitute a breach of this Section 6 by the Licensee within fifteen (15) days following the issuance by a court of competent jurisdiction of a final unappealable judgment or order for same.

(2) The Licensee shall indemnify, defend and hold harmless the Licensors (including the Licensors' elected and appointed officials, officers, employees and agents), the Prime Landlord, the Prime Landlord's managing agent and all Mortgagees from and against any and all actions (including remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting

therefrom), costs, claims, damages (including attorneys', consultants', and experts' fees, court costs and amount paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this Section 6 by the Licensee or any of its agents, employees or contractors.

(c) General Prohibition. Except for paint and adhesives that the Licensee is specifically permitted to store in locked, appropriately rated cabinets within the Licensed Premises, neither the Licensee nor the Licensor shall cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Licensed Premises or the Building (hereinafter referred to collectively as the "Property") by the Licensee. Notwithstanding the foregoing, the Licensor recognizes and acknowledges that the Licensee or its agents may use and store within the Building reasonable quantities of customary office and cleaning supplies, paint and adhesives, and other materials commonly used in connection with the uses of the Licensed Premises permitted by this License; provided such items are stored, used and disposed of in accordance with applicable laws.

(d) Notice. In the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, the Licensee shall be responsible for the removal or other treatment of those Hazardous Materials arising out of or related to the use or occupancy of the Property by the Licensee but not those of its predecessors, including the disturbance of any pre-existing Hazardous Materials. Likewise, in the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, the Licensor shall be responsible for the removal or other treatment of those Hazardous Materials arising out of or related to the use or occupancy of the Property by the Licensor or the Licensor's other licensees (but specifically excluding the Licensee), employees, or agents, including the disturbance of any pre-existing Hazardous Materials. Notwithstanding the foregoing, neither the Licensee nor the Licensor shall take any remedial action in or about the Property or any portion thereof without first notifying the other party to this License of its intention to do so and affording the other party to this License the opportunity to protect the other parties' interest with respect thereto. The Licensor and the Licensee immediately shall notify the other party to this License of: (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Property or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if the Licensee has notice thereof) pursuant to any laws respecting Hazardous Materials; (iii) any claim made or threatened by any person against the Licensor or the Licensee, as the case may be, or the Property or any portion thereof relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Property or any portion thereof, including any complaints, notices, warnings, reports or asserted violations in connection therewith. The Licensor and the Licensee also shall supply to the other party to this License as promptly as possible, and in any event within five (5) business days after the Licensor or the Licensee first

receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Licensed Premises, the Property or the Licensor's or the Licensee's use or occupancy thereof.

(c) **Survival.** The respective rights and obligations of the Licensor and the Licensee under this Section shall survive the expiration or earlier termination of this License.

7. **No Assignment or Occupancy.** This License is personal to the Licensee and is neither assignable nor transferable by the Licensee.

8. **No Alterations or Signs.** The Licensee shall make no alterations, installations, additions or improvements in or to the Licensed Premises, or the Premises, including without limitation, the placement of any signs, other than those permitted by the applicable County ordinances, County regulations, and the Prime Lease or any lease or license between the Licensor and others. The Licensee shall maintain the Licensed Premises in clean, safe and sanitary condition; take good care thereof; and suffer no waste or injury thereto. Notwithstanding the foregoing, the Licensor may place, at the Licensee's request and sole cost and expense, a sign at a location determined by the Licensor to identify the Licensee, subject to any applicable restrictions contained in the Prime Lease. The Licensee shall not be entitled to any additional signage or identification within the Premises.

9. **Access to Licensed Premises and Licensee's Obligation to Secure the Same.** The Licensee shall have access to the ATP Space twenty-four (24) hours a day, seven (7) days a week, exclusive of other licensees or contractors of the Licensor, but not excluding the Licensor or its employees who are authorized to enter the ATP Space without prior notice to the Licensee. The Licensee shall also have access to the Common Area on a non-exclusive basis, i.e. to be used by the Licensee, the Licensor's other licensees, contractors, and employees. At the beginning of the Term, the Licensor shall provide the Licensee, at no additional cost to the Licensee, with a sufficient number of electronic access cards for the License and its employees to access the Building and the License Premises. The Licensee shall pay a fee of twenty dollars (\$20) each for the replacement of a lost electronic access card, or for any new electronic access card in addition to the number of electronic access cards originally supplied by the Licensor to the Licensee at the beginning of the Term. The Licensee shall be solely responsible for locking and unlocking the door to the Licensed Premises, and otherwise securing the License Premises on a daily/nightly basis. If the Licensee is not able to properly secure the Licensed Premises for any reason, then the Licensee shall immediately notify the Arlington County Department of Environmental Services Commuter Services (ACCS) Chief verbally (e.g. via telephone) and in writing (e.g. via email). In the event that the Licensee is unable to properly secure the Licensed Premises, then the Licensee shall bear the sole responsibility, cost, and/or liability for any resulting damage or loss that occurs within the Licensed Premises.

10. **Licensee's Use of Licensor's Personal Property.** Per the terms of the Agreement, the Licensor owns all office equipment within the Licensed Premises, including, but not limited to, all workstations, systems furniture, furniture and furnishings, computers, computer peripherals, computer software, telephone equipment, office supplies, and all other equipment and office supplies within the Licensed Premises (jointly, the "Licensor's Personal Property"). The Licensee hereby acknowledges that all of the Licensor's Personal Property

within the Licensed Premises is solely owned by the Licensor, and that the Licensee has no, and shall have no, claim or ownership interest in any of the Licensor's Personal Property. The Licensee shall promptly notify the Licensor of any damage or malfunction to any portion of the Licensor's Personal Property. The Licensee shall keep all of the Licensor's Personal Property in good condition, and shall cause no waste to any of the Licensor's Personal Property.

11. No Liability; Indemnification.

(a) All personal property of the Licensee, its employees, agents, contractors, business invitees, licensees, customers, clients, and guests in and on the Licensed Premises or the Premises, shall be and remain therein under any and all circumstances at the sole risk of the above described persons and entities. The Licensor shall not be liable to any such person or entity for any damage to, or loss of such personal property. The Licensee hereby agrees to defend, indemnify and hold harmless the Licensor and its elected and appointed officials, officers, employees, contractors and agents from any liability, cost and expenses for lost, stolen, damaged or destroyed personal property.

(b) The Licensee acknowledges that the Licensor, its elected and appointed officials, officers, employees, contractors and agents shall not be liable for any damages, special, consequential, punitive or otherwise, as a result of any claim relating to this License or the Licensee's use of the Licensed Premises, the Premises, or Licensor's Personal Property.

(c) The Licensee hereby agrees to defend, indemnify and hold harmless the Licensor, and its elected and appointed officials, officers, employees, contractors, agents, successors and assigns, from and against all claims, causes of action, liabilities, losses, costs and expenses arising from or in connection with any injury or other damage to any person or property; (i) which occurs in the Licensed Premises; or (ii) which occurs in any part of the Building or the Premises and is caused by (1) the negligence or willful misconduct of the Licensee, its agents, contractors, employees, customers, or invitees, (2) the Licensee's use and occupancy of the Licensed Premises or the business conducted therein or the Licensee's presence in the Building, (3) the Licensee's use of the Licensor's Personal Property as defined in Section 10 of this License, (4) any act or omission of the Licensee or its employees, agents or invitees, and (5) any breach or default by the Licensee in the observance or performance of this License, as applicable. The indemnification in this Section 11 shall survive the expiration or termination of this License.

12. Insurance. The Licensee, at its sole expense, shall obtain and maintain a policy of commercial general liability insurance, throughout the Term, from an insurance carrier satisfactory to the Licensor, providing coverage for claims arising from or in connection with the exercise of the permission granted hereunder by the Licensee for personal injury, death, property damage or loss suffered by any person, thing or interest with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance coverage shall protect from liability the persons and entities indemnified under Section 11 of this License. The Licensee shall maintain such insurance coverage in full force and effect continuously at all times during the Term. The insurance policy and policy limits shall not operate as a limit of the Licensee's liability to the Licensor under this License, nor as a limit of the Licensee's duty of indemnification hereunder. Prior to the beginning of the Term, and at the beginning of each year thereafter (if applicable), the Licensee shall furnish the Licensor with certificates of

insurance indicating that the insurance is prepaid for a one year policy period insuring all activity contemplated under this License, and containing a thirty (30) day notice provision prior to termination, cancellation, non-renewal, material change, or reduction of coverage. The policy shall provide, among other things, that the actions or omissions of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy. No provision contained in this License shall act as a waiver of any rights of subrogation of the Licensor's Self Insurance Program or the Licensor's insurance carrier(s). The insurance required to be carried by the Licensee herein shall be with an insurance company licensed to do business in the Commonwealth of Virginia and rated not lower than A-X in the A.M. Best Rating Guide. Such insurance (i) shall contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss; (ii) shall name the Licensor and others listed hereinafter as additional insureds and loss payees; and (iii) shall provide that the policy shall not be canceled, failed to be renewed or materially amended without at least thirty (30) days' prior written notice to the Licensor. At the Licensor's written request, an original of the policy (including any renewal or replacement policy) or a certified copy thereof, together with evidence satisfactory to the Licensor of the payment of all premiums for such policy, shall be delivered to the Licensor. The Licensor, its elected and appointed officials, officers, employees, contractors and agents shall be named as additional insureds under all coverage maintained by the Licensee hereunder and the certificate of insurance, or the certified policy must so state. Coverage afforded under this Section 12 shall be primary as respects the Licensor, its elected and appointed officials, officers, employees, contractors and agents. The following definition of the term "Licensor" applies to all policies issued under this License:

"The County Board of Arlington County, Virginia and any affiliated or subsidiary Board, Authority, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, Authority, Committee, or Independent Agency is either a Body Politic created by the County Board of Arlington County, Virginia, or one in which controlling interest is vested in Arlington County; or Arlington County Constitutional Officers."

13. Default. This License shall, at the option of the Licensor, cease and terminate if the Licensee shall violate or fail to perform any of the conditions, covenants or agreements of this License, including, without limitation, the payment of the Fee, provided that any such violation or failure to perform any of such conditions, covenants or agreements shall continue for a period of Ten (10) days after written notice thereof has been delivered by the Licensor to the Licensee. In such event, the Licensee shall however remain liable to the Licensor for all monetary and other damages arising from such default. Upon the termination or expiration of this License, the Licensor shall have the right to prevent the Licensee's entry to or access upon the Licensed Premises and the Premises and to immediately remove any property of the Licensee located upon the Licensed Premises and the Premises at the Licensee's sole risk and expense. In the event of any default or dispute arising under this License, the Licensee shall reimburse the Licensor promptly for any and all attorneys' fees and court costs incurred by the Licensor, for exercising the Licensor's rights upon the Licensee's default or resolving any such dispute.

14. Termination; Closure of Licensed Premises. Notwithstanding anything herein to the contrary, both the Licensor and the Licensee shall have the right to terminate this License at any time, without cause, liability or penalty, by providing at least Thirty (30) days, prior written notice of such termination to the other party. Any termination of this License shall not relieve the Licensee of its obligations under the Agreement. Upon the expiration or earlier termination of the term of the Prime Lease or the Agreement, this License shall automatically terminate. If the Licensee fails to terminate its use of the Licensed Premises and to vacate all areas of the Premises on the Expiration Date or the earlier termination of this License, then the Licensee shall be deemed a trespasser. Thereafter, the Licensor may immediately remove the Licensee and the Licensee's property from the Licensed Premises and the Premises, at the Licensee's sole risk and expense. The Licensor has the right to temporarily or permanently close the Premises and the Licensed Premises in the interest of public health, safety and welfare, without liability to the Licensor or others.

15. Notices. All notices or other communications hereunder shall be in writing and shall be given to the other party by hand delivery or by certified mail, return receipt requested, at the following addresses or such other addresses hereafter provided by notice to the other party:

- To Licensor: Arlington County Manager  
2100 Clarendon Boulevard, Suite 302  
Arlington, Virginia 22201  
Phone: (703) 228-3120  
Fax: (703) 228-3295
- With a copy to: Real Estate Bureau Chief  
Engineering & Capital Projects Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-4354  
Fax: (703) 228-7542
- and a copy to: Director of Department of Management and Finance,  
Arlington County  
2100 Clarendon Boulevard, Suite 501  
Arlington, Virginia 22201  
Phone: (703) 228-3415  
Fax: (703) 228-3401
- and a copy to: Director of Transportation Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-3681  
Fax: (703) 228-3594

and a copy to: Commuter Services (ACCS) Chief  
Transportation Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-3725  
Mobile: (703) 598-6133  
Fax: (703) 228-7548

To Licensee: President  
The Destination Sales and Marketing Group, Ltd.  
20575 Quarterpath Trace Circle  
Potomac Falls, Virginia 20165  
Phone: (703) 404-1913  
Fax: (703) 404-1913

and a copy to: Arlington Transportation Partners  
1501 Wilson Boulevard, 11<sup>th</sup> Floor  
Arlington, Virginia 22209

Where verbal notice to the Licensor is required, such notice shall be given to the Commuter Services (ACCS) Chief of the Arlington County Department of Environmental Services, Transportation Division, at (703) 228-3725 or (703) 598-6133, or to such other person as such other telephone number as the Licensor may designate in writing to the Licensee. Notices shall be effective upon receipt.

16. No Partnership or Lease. It is agreed that nothing contained in this License shall be deemed or construed as creating: a partnership; joint venture; the relationship of landlord and tenant between the Licensor and the Licensee; or a leasehold interest. The Licensor reserves the right to enter at any time upon, and to inspect or use the Licensed Premises without prejudice to the Licensee's use hereunder.

17. Non-Appropriation Clause.

(a) All of the Licensor's obligations under this License are subject to appropriation of funds by the County Board of Arlington County, Virginia for the specific purpose of satisfying the payment and performance of such obligations. In the event that funds are not appropriated at the beginning of the Licensor's fiscal year for the specific purpose of satisfying the obligations of the Licensor under this License, then this License shall become null and void and shall terminate on the last day of the Licensor's fiscal year for which appropriations were received for such purpose, without any termination fee or other liability whatsoever to the Licensor. If funds for the Licensor's obligations under this License are not appropriated, then the Licensee shall vacate the Licensed Premises prior to the beginning of the Licensor's next fiscal year.

(b) It is agreed by both the Licensee and the Licensor that, notwithstanding any provisions in this License to the contrary, this Section 17 shall supersede any and all obligations imposed by any other provision of this License or Exhibits hereof. No subsequent Amendment of, or Addendum to, this License shall compromise the full legal implication of this section between the parties hereto or their respective successors or assigns.

18. Role of the Licensor/Licensor Decisions; No Waiver. The Licensee hereby acknowledges that the Licensor has entered into this License in its role as licensor under this License and not as a governing authority. Accordingly, the Licensor's execution of this License shall neither constitute nor be deemed to be governmental approval for any actions or interests contemplated herein, including without limitation, for the construction and occupancy of the Licensed Premises, or for any other governmental approval or consent required to be obtained by the Licensee. Whenever in this License the Licensor is required to join in, consent, give its approval, or otherwise act under this License, it is understood that such obligations are meant to apply to the Licensor acting in its capacity as a licensor and not in its capacity as a governing authority. Further, the Licensee hereby acknowledges that any and all decisions, determinations, consents, notifications or any other actions taken or to be taken by the Licensor pursuant to this License, whether or not specifically contemplated hereunder, may be taken by the County Manager or by another Arlington County official or body pursuant to any means, mechanism or process as determined by Arlington County in its sole discretion, and the Licensee shall have no right to question or challenge the propriety, authority or legality of any such Arlington County official or body, or means, mechanism or process by which any such decision, determination, consent, notification, or other action is taken or to be taken hereunder by the Licensor. Notwithstanding the foregoing, nothing in this License shall be construed to waive any of the Licensor's powers, rights or obligations as a governing authority or local governing body, whether or not affecting the Building or the Licensed Premises, including, but not limited to its police power, right to grant or deny permits, right to collect taxes or other fees, or any other power, right or obligation whatsoever.

19. No Waiver of Sovereign Immunity by Licensor. Notwithstanding any other provisions of this License to the contrary, nothing in this License nor any action taken by the Licensor pursuant to this License nor any document which arises out of this License shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Licensor, or of its elected and appointed officials, officers and employees.

20. No Rights in Third Parties. The parties hereto mutually agree that no provision of this License shall create in the public, or in any person or entity other than those signing this License as parties hereto, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for personal injury, property damage, or breach of contract pursuant to the terms of this License or otherwise.

21. No Indemnification or Hold Harmless. Notwithstanding any other term or provision of this License to the contrary, the Licensor shall have no obligation to explicitly or implicitly indemnify or hold harmless the Licensee or any third party or parties from any liability whatsoever.

22. Entire Agreement/Applicable Law/Proper Venue and Enforcement. This License contains the entire agreement of the parties hereto with respect to the subject matter

hereof. All representations, inducements, or agreements, oral or otherwise, between the parties not contained in this License shall be of no force and effect. This License shall not be modified, changed or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the Licensor and the Licensee. This License shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The parties hereto agree that all disputes arising hereunder shall be brought in the Circuit Court of Arlington County, Virginia, which shall be the proper forum for any dispute arising hereunder, and in no other courts. In the event of any dispute arising from the Licensee's default in the performance hereunder, or any other covenant, condition or obligation hereunder, the Licensee shall be obligated to pay the Licensor for all court costs and reasonable attorneys' fees incurred by Licensor to enforce or defend its rights hereunder or at law.

23. Prime Landlord and County Board Consent.

(a) Notwithstanding any provision in this License to the contrary, the Licensee acknowledges and agrees that this License is contingent upon, and shall not be effective until, the Prime Landlord consents hereto in writing, if such consent is required and applicable. The Licensee shall pay, on the License Commencement Date, any fee or charge required by the Prime Landlord in connection with obtaining the Prime Landlord's consent to this License. Either the Licensor or the Licensee may terminate this License by written notice to the other if the Prime Landlord has not granted its consent within thirty (30) days after the date that the Licensor executes this License.

(b) Additionally, this License shall not become effective unless and until the Licensee executes this License, the Prime Landlord approves this License, the County Board approves this License, and it is executed on behalf of the Licensor. If this License is not approved by the County Board, then no liability whatsoever shall accrue to the Licensor or the Licensee, and the Licensor and the Licensee shall have no obligations whatsoever to each other.

24. Licensee's Trading Name. The Licensee hereby represents and warrants to the Licensor that the Licensee is a legally established cognizable entity.

25. Incorporation of Recitals. The foregoing recitals are fully incorporated into this License by this reference.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the Licensor and the Licensee have caused this License to be executed and delivered as their respective acts, intending to be legally bound by its terms.

**LICENSOR:**

**THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic

By: \_\_\_\_\_ (seal)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**LICENSEE:**

**THE DESTINATION SALES AND MARKETING GROUP, LTD.**, a Virginia corporation

By: W. DeMeester (seal)

Name: W. R. DeMeester

Title: President

Approved as to form:

\_\_\_\_\_  
County Attorney

**LICENSE AGREEMENT**

**THIS LICENSE AGREEMENT** (this "License"), dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic (the "Licensor") and **THE CONVENTION STORE, INC.**, a District of Columbia corporation authorized to do business in the Commonwealth of Virginia (the "Licensee").

**RECITALS**

WHEREAS, the Licensor and the Licensee entered into an agreement, entitled, "Agreement No. 191-07", dated July 18, 2007, a copy of which is attached hereto as Exhibit A (the "Agreement"), whereby the Licensee agrees to, among other things, create and provide to the Licensor with commuter stores service, and the Licensor agrees to provide office space to the Licensee to provide such services; and

WHEREAS, the term of the Agreement ends on June 30, 2011, subject, however, to the Licensor's right, upon the Licensee's satisfactory performance of its obligations under the Agreement, and with the consent of the Licensee, to extend the term of the Agreement for not more than five (5) additional twelve (12) month periods from July 1, 2011 to June 30, 2016; and

WHEREAS, under the terms of the Agreement, the Licensor agrees to provide the Licensee with office space, including all of the furnishings and equipment, including, but not limited to desks, chairs, systems furniture, brochure racks, bulletin boards, storage shelves, safes, personal computers, computer servers, printers, cash registers, credit card authorization communicators, telephone equipment, and office supplies; and

WHEREAS, by this License, the Licensor grants a license to the Licensee for the use of the Licensed Premises, as hereinafter defined, and the Licensee accepts such license from the Licensor for the use the Licensed Premises pursuant to the terms and conditions herein.

**WITNESSETH:**

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and each with intent to be legally bound, the Licensor and the Licensee agree as follows:

1. Licensed Premises. In accordance with the Deed of Lease dated the 28th day of January, 2009, by and between ART PROPERTY ASSOCIATES, LLC, a Delaware limited liability company authorized to do business in the Commonwealth of Virginia (the "Prime Landlord"), as Landlord, and the Licensor, as Tenant (the "Prime Lease"), the Prime Landlord leased to the Licensor certain space containing approximately Eleven Thousand One Hundred Thirty-two (11,132) square feet (the "Premises") of the building located at 1501 Wilson Boulevard, Arlington, Virginia (the "Building"). The Licensor hereby grants to the Licensee permission to use, upon the terms hereinafter provided, the following portions of the Premises:

(a) Three Thousand Four Hundred Eighty-seven (3,487) square feet of the Premises exclusive of other licensees or contractors of the Licensor, but not excluding the Licensor or its employees (the "CIC Space"); and

(b) Three Thousand One Hundred Thirty-nine (3,139) square feet of the Premises, consisting of the common area corridors, restrooms, storage area, catering area, multi-purpose room, and hoteling/transient area, on a non-exclusive basis (i.e. for use by the Licensee, the Licensor's other licensees, contractors, and employees) (the "Common Area"), as described in Exhibit A.

The above-described licensed areas (a) and (b) are hereinafter jointly referred to as the "Licensed Premises". The Premises and the Licensed Premises are more particularly shown on the floor plans attached hereto as Exhibit B-1 and Exhibit B-2. The Licensee accepts the Licensed Premises in its "AS IS" condition as of the License Commencement Date (as hereinafter defined). Subject to the terms of this License, the Licensee shall have non-exclusive access to and use of the Common Area for the Permitted Uses described herein.

2. Term. The term of this License ("Term") shall begin on the date that this License is executed on behalf of the Licensor (the "License Commencement Date") and shall continue until June 30, 2011 (the "Expiration Date"), unless sooner terminated as described herein, or as provided by law. Notwithstanding the foregoing, if the Licensor extends the term of the Agreement pursuant to the terms thereof, then, upon receipt by the Real Estate Bureau Chief, Department of Environmental Services, Engineering and Capital Projects Division (the "REB Chief") of written notice from the Licensee indicating that the term of the Agreement has been extended by the Licensor, then the Term of this License shall automatically extend for an equal period of time as the extension of the term of the Agreement. Further notwithstanding the foregoing, the Licensor may terminate this License for any reason or no reason upon thirty (30) days prior written notice to the Licensee without cost or liability to the Licensor whatsoever.

3. Permitted Uses. The Licensee is permitted to use the Licensed Premises solely for the purposes described in Article 6 of the Prime Lease ("Permitted Uses"), and in accordance with applicable zoning regulations, laws, rules, orders, ordinances and regulations of the Licensor, and of any applicable governmental authority, and of any landlord, and for no other purposes (including, but not limited to, in-person retail sales). Notwithstanding any provision in this License to the contrary, the Licensee shall not use or occupy the Licensed Premises for any unlawful purpose or for any purpose or use not specifically permitted by the Prime Lease, this License, and by the Agreement, as any of the foregoing documents may be amended.

4. License Fee. The Licensee shall pay to the Licensor, without set off, deduction or counterclaim, a fee of Ten and 00/100ths Dollars (\$10.00) ("Fee") per year. The Fee shall be payable in advance upon the License Commencement Date. The Fee, and all other amounts to be paid by the Licensee under this License, shall be made by certified or cashiers check payable to Treasurer, Arlington County, Virginia and paid at the address designated by the Licensor.

5. Compliance with Prime Lease/Indemnification of Prime Landlord.

(a) The Licensee shall at all times comply with all applicable provisions of the Prime Lease.

(b) This License is subject and subordinate to the Prime Lease. Without limiting the foregoing, and notwithstanding any provision of this License to the contrary, this License shall automatically terminate without cost or liability to the Licensor upon the expiration or earlier termination of the Prime Lease.

(c) The Licensee shall indemnify and hold the Prime Landlord and its shareholders, members, partners, contractors, licensees, invitees, ground lessors and the holder of any mortgage or deed of trust secured by the Building ("Mortgages"), and their respective employees, agents, officers and directors, harmless from and against all costs, damages, claims, liabilities and expenses, including attorneys' fees, suffered by or claimed against the Prime Landlord, directly or indirectly, based on, arising out of or resulting from: (i) the Licensee's use and occupancy of the Licensed Premises or the business conducted therein or the Licensee's presence in the Building; (ii) any act or omission of the Licensee or its employees, agents or invitees; and (iii) any breach or default by the Licensee in the observance or performance of this License.

6. Hazardous Materials.

(a) Definition. As used in this License, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable laws including oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons. For purposes of this License, Hazardous Materials shall include, but are not limited to, asbestos or asbestos containing materials.

(b) Payment of Damages:

(1) Notwithstanding anything contained in this License to the contrary, the Licensee agrees that it will pay to the Licensor (including any of the Licensor's elected and appointed officials, officers, employees and agents) all direct monetary damages for personal injury or property damage plus any statutory liability arising from the Licensee's acts or omissions that constitute a breach of this Section 6 by the Licensee within fifteen (15) days following the issuance by a court of competent jurisdiction of a final unappealable judgment or order for same.

(2) The Licensee shall indemnify, defend and hold harmless the Licensor (including the Licensor's elected and appointed officials, officers, employees and agents), the Prime Landlord, the Prime Landlord's managing agent and all Mortgagees from and against any and all actions (including remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting

therefrom), costs, claims, damages (including attorneys', consultants', and experts' fees, court costs and amount paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this Section 6 by the Licensee or any of its agents, employees or contractors.

(c) General Prohibition. Except for paint and adhesives that the Licensee is specifically permitted to store in locked, appropriately rated cabinets within the Licensed Premises, neither the Licensee nor the Licensor shall cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Licensed Premises or the Building (hereinafter referred to collectively as the "Property") by the Licensee. Notwithstanding the foregoing, the Licensor recognizes and acknowledges that the Licensee or its agents may use and store within the Building reasonable quantities of customary office and cleaning supplies, paint and adhesives, and other materials commonly used in connection with the uses of the Licensed Premises permitted by this License; provided such items are stored, used and disposed of in accordance with applicable laws.

(d) Notice. In the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, the Licensee shall be responsible for the removal or other treatment of those Hazardous Materials arising out of or related to the use or occupancy of the Property by the Licensee but not those of its predecessors, including the disturbance of any pre-existing Hazardous Materials. Likewise, in the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal or other treatment of such Hazardous Materials, the Licensor shall be responsible for the removal or other treatment of those Hazardous Materials arising out of or related to the use or occupancy of the Property by the Licensor or the Licensor's other licensees (but specifically excluding the Licensee), employees, or agents, including the disturbance of any pre-existing Hazardous Materials. Notwithstanding the foregoing, neither the Licensee nor the Licensor shall take any remedial action in or about the Property or any portion thereof without first notifying the other party to this License of its intention to do so and affording the other party to this License the opportunity to protect the other parties' interest with respect thereto. The Licensor and the Licensee immediately shall notify the other party to this License of: (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Property or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if the Licensee has notice thereof) pursuant to any laws respecting Hazardous Materials; (iii) any claim made or threatened by any person against the Licensor or the Licensee, as the case may be, or the Property or any portion thereof relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Property or any portion thereof, including any complaints, notices, warnings, reports or asserted violations in connection therewith. The Licensor and the Licensee also shall supply to the other party to this License as promptly as possible, and in any event within five (5) business days after the Licensor or the Licensee first

receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Licensed Premises, the Property or the Licensor's or the Licensee's use or occupancy thereof.

(e) Survival. The respective rights and obligations of the Licensor and the Licensee under this Section shall survive the expiration or earlier termination of this License.

7. No Assignment or Occupancy. This License is personal to the Licensee and is neither assignable nor transferable by the Licensee.

8. No Alterations or Signs. The Licensee shall make no alterations, installations, additions or improvements in or to the Licensed Premises, or the Premises, including without limitation, the placement of any signs, other than those permitted by the applicable County ordinances, County regulations, and the Prime Lease or any lease or license between the Licensor and others. The Licensee shall maintain the Licensed Premises in clean, safe and sanitary condition; take good care thereof; and suffer no waste or injury thereto. Notwithstanding the foregoing, the Licensor may place, at the Licensee's request and sole cost and expense, a sign at a location determined by the Licensor to identify the Licensee, subject to any applicable restrictions contained in the Prime Lease. The Licensee shall not be entitled to any additional signage or identification within the Premises.

9. Access to Licensed Premises and Licensee's Obligation to Secure the Same. The Licensee shall have access to the CIC Space twenty-four (24) hours a day, seven (7) days a week, exclusive of other licensees or contractors of the Licensor, but not excluding the Licensor or its employees who are authorized to enter the CIC Space without prior notice to the Licensee. The Licensee shall also have access to the Common Area on a non-exclusive basis, i.e. to be used by the Licensee, the Licensor's other licensees, contractors, and employees. At the beginning of the Term, the Licensor shall provide the Licensee, at no additional cost to the Licensee, with a sufficient number of electronic access cards for the Licensee and its employees to access the Building and the Licensee Premises. The Licensee shall pay a fee of twenty dollars (\$20) each for the replacement of a lost electronic access card, or for any new electronic access card in addition to the number of electronic access cards originally supplied by the Licensor to the Licensee at the beginning of the Term. The Licensee shall be solely responsible for locking and unlocking the door to the Licensed Premises, and otherwise securing the Licensee Premises on a daily/nightly basis. If the Licensee is not able to properly secure the Licensed Premises for any reason, then the Licensee shall immediately notify the Arlington County Department of Environmental Services Commuter Services (ACCS) Chief verbally (e.g. via telephone) and in writing (e.g. via email). In the event that the Licensee is unable to properly secure the Licensed Premises, then the Licensee shall bear the sole responsibility, cost, and/or liability for any resulting damage or loss that occurs within the Licensed Premises.

10. Licensee's Use of Licensor's Personal Property. Per the terms of the Agreement, the Licensor owns all office equipment within the Licensed Premises, including, but not limited to, all workstations, systems furniture, furniture and furnishings, computers, computer peripherals, computer software, telephone equipment, office supplies, and all other equipment and office supplies within the Licensed Premises (jointly, the "Licensor's Personal Property"). The Licensee hereby acknowledges that all of the Licensor's Personal Property

within the Licensed Premises is solely owned by the Licensor, and that the Licensee has no, and shall have no, claim or ownership interest in any of the Licensor's Personal Property. The Licensee shall promptly notify the Licensor of any damage or malfunction to any portion of the Licensor's Personal Property. The Licensee shall keep all of the Licensor's Personal Property in good condition, and shall cause no waste to any of the Licensor's Personal Property.

11. No Liability; Indemnification

(a) All personal property of the Licensee, its employees, agents, contractors, business invitees, licensees, customers, clients, and guests in and on the Licensed Premises or the Premises, shall be and remain therein under any and all circumstances at the sole risk of the above described persons and entities. The Licensor shall not be liable to any such person or entity for any damage to, or loss of such personal property. The Licensee hereby agrees to defend, indemnify and hold harmless the Licensor and its elected and appointed officials, officers, employees, contractors and agents from any liability, cost and expenses for lost, stolen, damaged or destroyed personal property.

(b) The Licensee acknowledges that the Licensor, its elected and appointed officials, officers, employees, contractors and agents shall not be liable for any damages, special, consequential, punitive or otherwise, as a result of any claim relating to this License or the Licensee's use of the Licensed Premises, the Premises, or Licensor's Personal Property.

(c) The Licensee hereby agrees to defend, indemnify and hold harmless the Licensor, and its elected and appointed officials, officers, employees, contractors, agents, successors and assigns, from and against all claims, causes of action, liabilities, losses, costs and expenses arising from or in connection with any injury or other damage to any person or property; (i) which occurs in the Licensed Premises; or (ii) which occurs in any part of the Building or the Premises and is caused by (1) the negligence or willful misconduct of the Licensee, its agents, contractors, employees, customers, or invitees, (2) the Licensee's use and occupancy of the Licensed Premises or the business conducted therein or the Licensee's presence in the Building, (3) the Licensee's use of the Licensor's Personal Property, as defined in Section 10 of this License, (4) any act or omission of the Licensee or its employees, agents or invitees, and (5) any breach or default by the Licensee in the observance or performance of this License, as applicable. The indemnification in this Section 11 shall survive the expiration or termination of this License.

12. Insurance. The Licensee, at its sole expense, shall obtain and maintain a policy of commercial general liability insurance, throughout the Term, from an insurance carrier satisfactory to the Licensor, providing coverage for claims arising from or in connection with the exercise of the permission granted hereunder by the Licensee for personal injury, death, property damage or loss suffered by any person, thing or interest with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance coverage shall protect from liability the persons and entities indemnified under Section 11 of this License. The Licensee shall maintain such insurance coverage in full force and effect continuously at all times during the Term. The insurance policy and policy limits shall not operate as a limit of the Licensee's liability to the Licensor under this License, nor as a limit of the Licensee's duty of indemnification hereunder. Prior to the beginning of the Term, and at the beginning of each year thereafter (if applicable), the Licensee shall furnish the Licensor with certificates of

insurance indicating that the insurance is prepaid for a one year policy period insuring all activity contemplated under this License, and containing a thirty (30) day notice provision prior to termination, cancellation, non-renewal, material change, or reduction of coverage. The policy shall provide, among other things, that the actions or omissions of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy. No provision contained in this License shall act as a waiver of any rights of subrogation of the Licensor's Self Insurance Program or the Licensor's insurance carrier(s). The insurance required to be carried by the Licensee herein shall be with an insurance company licensed to do business in the Commonwealth of Virginia and rated not lower than A-X in the A.M. Best Rating Guide. Such insurance (i) shall contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss; (ii) shall name the Licensor and others listed hereinafter as additional insureds and loss payees; and (iii) shall provide that the policy shall not be canceled, failed to be renewed or materially amended without at least thirty (30) days' prior written notice to the Licensor. At the Licensor's written request, an original of the policy (including any renewal or replacement policy) or a certified copy thereof, together with evidence satisfactory to the Licensor of the payment of all premiums for such policy, shall be delivered to the Licensor. The Licensor, its elected and appointed officials, officers, employees, contractors and agents shall be named as additional insureds under all coverage maintained by the Licensee hereunder and the certificate of insurance, or the certified policy must so state. Coverage afforded under this Section 12 shall be primary as respects the Licensor, its elected and appointed officials, officers, employees, contractors and agents. The following definition of the term "Licensor" applies to all policies issued under this License:

"The County Board of Arlington County, Virginia and any affiliated or subsidiary Board, Authority, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, Authority, Committee, or Independent Agency is either a Body Politic created by the County Board of Arlington County, Virginia, or one in which controlling interest is vested in Arlington County; or Arlington County Constitutional Officers."

13. Default. This License shall, at the option of the Licensor, cease and terminate if the Licensee shall violate or fail to perform any of the conditions, covenants or agreements of this License, including, without limitation, the payment of the Fee, provided that any such violation or failure to perform any of such conditions, covenants or agreements shall continue for a period of Ten (10) days after written notice thereof has been delivered by the Licensor to the Licensee. In such event, the Licensee shall however remain liable to the Licensor for all monetary and other damages arising from such default. Upon the termination or expiration of this License, the Licensor shall have the right to prevent the Licensee's entry to or access upon the Licensed Premises and the Premises and to immediately remove any property of the Licensee located upon the Licensed Premises and the Premises at the Licensee's sole risk and expense. In the event of any default or dispute arising under this License, the Licensee shall reimburse the Licensor promptly for any and all attorneys' fees and court costs incurred by the Licensor, for exercising the Licensor's rights upon the Licensee's default or resolving any such dispute.

14. Termination; Closure of Licensed Premises. Notwithstanding anything herein to the contrary, both the Licensor and the Licensee shall have the right to terminate this License at any time, without cause, liability or penalty, by providing at least Thirty (30) days, prior written notice of such termination to the other party. Any termination of this License shall not relieve the Licensee of its obligations under the Agreement. Upon the expiration or earlier termination of the term of the Prime Lease or the Agreement, this License shall automatically terminate. If the Licensee fails to terminate its use of the Licensed Premises and to vacate all areas of the Premises on the Expiration Date or the earlier termination of this License, then the Licensee shall be deemed a trespasser. Thereafter, the Licensor may immediately remove the Licensee and the Licensee's property from the Licensed Premises and the Premises, at the Licensee's sole risk and expense. The Licensor has the right to temporarily or permanently close the Premises and the Licensed Premises in the interest of public health, safety and welfare, without liability to the Licensor or others.

15. Notices. All notices or other communications hereunder shall be in writing and shall be given to the other party by hand delivery or by certified mail, return receipt requested, at the following addresses or such other addresses hereafter provided by notice to the other party:

To Licensor: Arlington County Manager  
2100 Clarendon Boulevard, Suite 302  
Arlington, Virginia 22201  
Phone: (703) 228-3120  
Fax: (703) 228-3295

With a copy to: Real Estate Bureau Chief  
Engineering & Capital Projects Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-4354  
Fax: (703) 228-7542

and a copy to: Director of Department of Management and Finance,  
Arlington County  
2100 Clarendon Boulevard, Suite 501  
Arlington, Virginia 22201  
Phone: (703) 228 3415  
Fax: (703) 228-3401

and a copy to: Director of Transportation Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-3681  
Fax: (703) 228-3594

and a copy to: Commuter Services (ACCS) Chief  
Transportation Division  
Department of Environmental Services, Arlington County  
2100 Clarendon Boulevard, Suite 900  
Arlington, Virginia 22201  
Phone: (703) 228-3725  
Mobile: (703) 598-6133  
Fax: (703) 228-7548

To Licensee: President  
The Convention Store, Inc.  
2981 Solomons Island Road  
Edgewater, Maryland 21037  
Phone: (410) 956-0001  
Fax: (410) 956-6592

and a copy to: Commuter Information Center  
1501 Wilson Boulevard, 11<sup>th</sup> Floor  
Arlington, Virginia 22209

Where verbal notice to the Licensor is required, such notice shall be given to the Commuter Services (ACCS) Chief of the Arlington County Department of Environmental Services, Transportation Division, at (703) 228-3725 or (703) 598-6133, or to such other person as the Licensor may designate in writing to the Licensee. Notices shall be effective upon receipt.

16. No Partnership or Lease. It is agreed that nothing contained in this License shall be deemed or construed as creating: a partnership; joint venture; the relationship of landlord and tenant between the Licensor and the Licensee; or a leasehold interest. The Licensor reserves the right to enter at any time upon, and to inspect or use the Licensed Premises without prejudice to the Licensee's use hereunder.

17. Non-Appropriation Clause.

(a) All of the Licensor's obligations under this License are subject to appropriation of funds by the County Board of Arlington County, Virginia for the specific purpose of satisfying the payment and performance of such obligations. In the event that funds are not appropriated at the beginning of the Licensor's fiscal year for the specific purpose of satisfying the obligations of the Licensor under this License, then this License shall become null and void and shall terminate on the last day of the Licensor's fiscal year for which appropriations were received for such purpose, without any termination fee or other liability whatsoever to the Licensor. If funds for the Licensor's obligations under this License are not appropriated, then the Licensee shall vacate the Licensed Premises prior to the beginning of the Licensor's next fiscal year.

(b) It is agreed by both the Licensee and the Licensor that, notwithstanding any provisions in this License to the contrary, this Section 17 shall supersede any and all obligations imposed by any other provision of this License or Exhibits hereof. No subsequent Amendment of, or Addendum to, this License shall compromise the full legal implication of this Section 17 between the parties hereto or their respective successors or assigns.

18. Role of the Licensor/Licensor Decisions; No Waiver. The Licensee hereby acknowledges that the Licensor has entered into this License in its role as licensor under this License and not as a governing authority. Accordingly, the Licensor's execution of this License shall neither constitute nor be deemed to be governmental approval for any actions or interests contemplated herein, including without limitation, for the construction and occupancy of the Licensed Premises, or for any other governmental approval or consent required to be obtained by the Licensee. Whenever in this License the Licensor is required to join in, consent, give its approval, or otherwise act under this License, it is understood that such obligations are meant to apply to the Licensor acting in its capacity as a licensor and not in its capacity as a governing authority. Further, the Licensee hereby acknowledges that any and all decisions, determinations, consents, notifications or any other actions taken or to be taken by the Licensor pursuant to this License, whether or not specifically contemplated hereunder, may be taken by the County Manager or by another Arlington County official or body pursuant to any means, mechanism or process as determined by Arlington County in its sole discretion, and the Licensee shall have no right to question or challenge the propriety, authority or legality of any such Arlington County official or body, or means, mechanism or process by which any such decision, determination, consent, notification, or other action is taken or to be taken hereunder by the Licensor. Notwithstanding the foregoing, nothing in this License shall be construed to waive any of the Licensor's powers, rights or obligations as a governing authority or local governing body, whether or not affecting the Building or the Licensed Premises, including, but not limited to its police power, right to grant or deny permits, right to collect taxes or other fees, or any other power, right or obligation whatsoever.

19. No Waiver of Sovereign Immunity by Licensor. Notwithstanding any other provisions of this License to the contrary, nothing in this License nor any action taken by the Licensor pursuant to this License nor any document which arises out of this License shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Licensor, or of its elected and appointed officials, officers and employees.

20. No Rights in Third Parties. The parties hereto mutually agree that no provision of this License shall create in the public, or in any person or entity other than those signing this License as parties hereto, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for personal injury, property damage, or breach of contract pursuant to the terms of this License or otherwise.

21. No Indemnification or Hold Harmless. Notwithstanding any other term or provision of this License to the contrary, the Licensor shall have no obligation to explicitly or implicitly indemnify or hold harmless the Licensee or any third party or parties from any liability whatsoever.

22. Entire Agreement/Applicable Law/Proper Venue and Enforcement. This License contains the entire agreement of the parties hereto with respect to the subject matter

hereof. All representations, inducements, or agreements, oral or otherwise, between the parties not contained in this License shall be of no force and effect. This License shall not be modified, changed or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the Licensor and the Licensee. This License shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The parties hereto agree that all disputes arising hereunder shall be brought in the Circuit Court of Arlington County, Virginia, which shall be the proper forum for any dispute arising hereunder, and in no other courts. In the event of any dispute arising from the Licensee's default in the performance hereunder, or any other covenant, condition or obligation hereunder, the Licensee shall be obligated to pay the Licensor for all court costs and reasonable attorneys' fees incurred by the Licensor to enforce or defend its rights hereunder or at law.

23. Prime Landlord and County Board Consent.

(a) Notwithstanding any provision in this License to the contrary, the Licensee acknowledges and agrees that this License is contingent upon, and shall not be effective until, the Prime Landlord consents hereto in writing, if such consent is required and applicable. The Licensee shall pay, on the License Commencement Date, any fee or charge required by the Prime Landlord in connection with obtaining the Prime Landlord's consent to this License. Either the Licensor or the Licensee may terminate this License by written notice to the other if the Prime Landlord has not granted its consent within thirty (30) days after the date that the Licensor executes this License.

(b) Additionally, this License shall not become effective unless and until the Licensee executes this License, the Prime Landlord approves this License, the County Board approves this License, and it is executed on behalf of the Licensor. If this License is not approved by the County Board, then no liability whatsoever shall accrue to the Licensor or the Licensee, and the Licensor and the Licensee shall have no obligations whatsoever to each other.

24. Licensee's Trading Name. The Licensee hereby represents and warrants to the Licensor that the Licensee is a legally established, cognizable entity.

25. Incorporation of Recitals. The foregoing recitals are fully incorporated into this License by this reference.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the Licensor and the Licensee have caused this License to be executed and delivered as their respective acts, intending to be legally bound by its terms.

**LICENSOR:**

**THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic

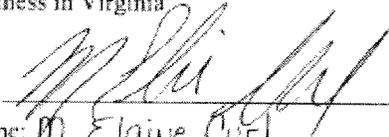
By: \_\_\_\_\_ (seal)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**LICENSEE:**

**THE CONVENTION STORE, INC.**, a District of Columbia corporation authorized to do business in Virginia

By:  \_\_\_\_\_ (seal)

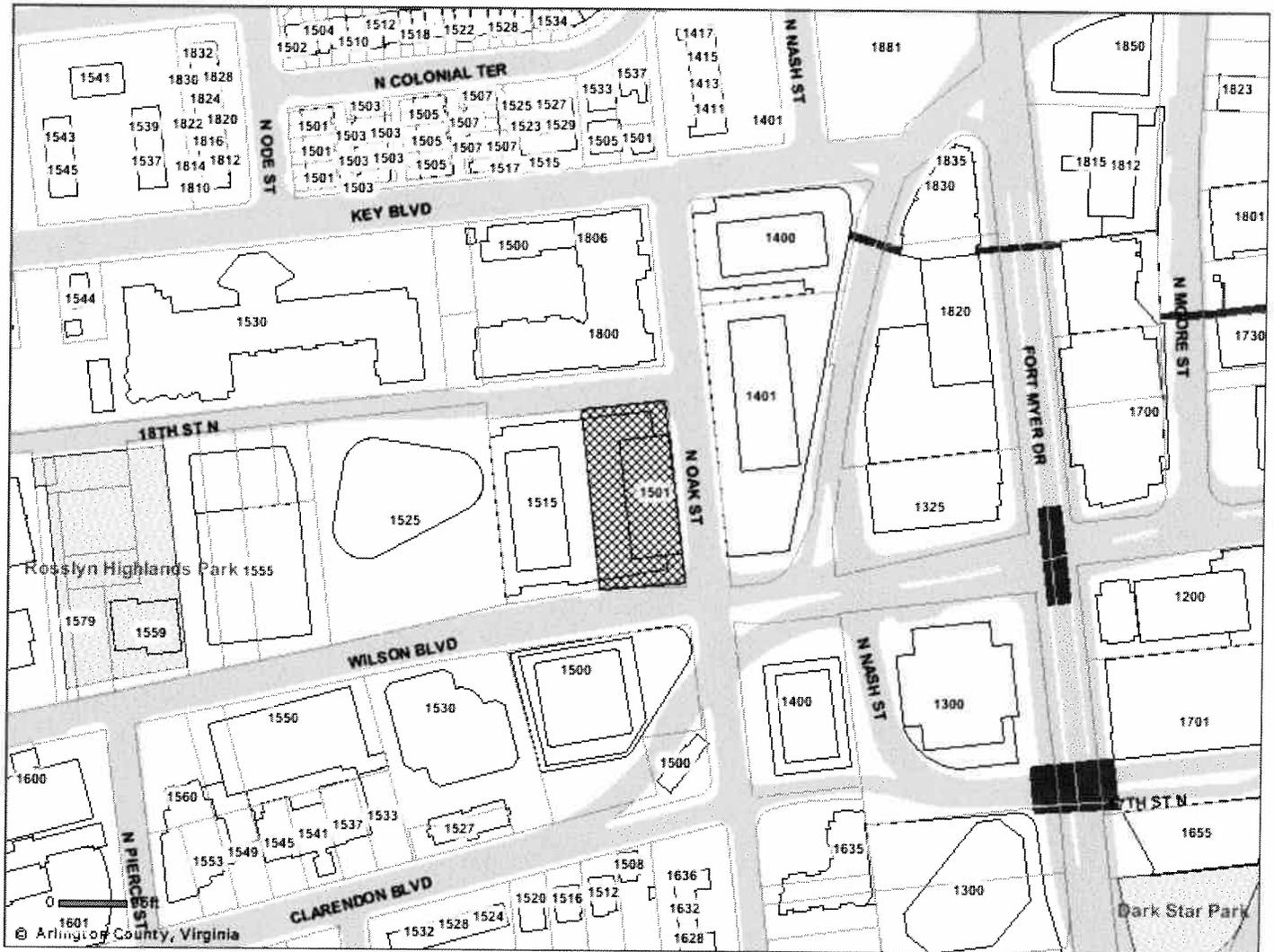
Name: M. Elaine Cuff

Title: President

Approved as to form:

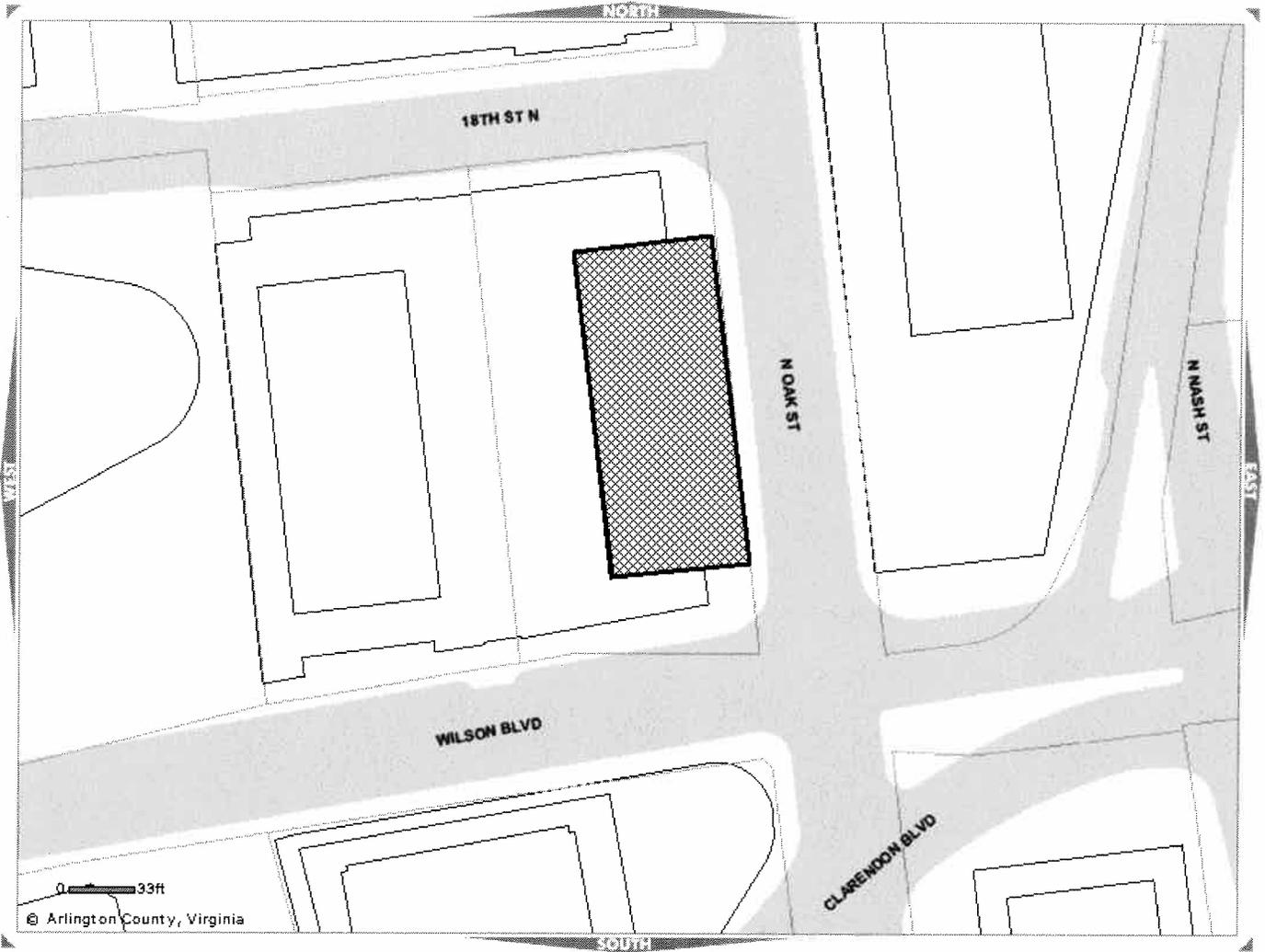
\_\_\_\_\_  
County Attorney

VICINITY MAP



**ATP AND CIC LICENSE AGREEMENTS  
1501 WILSON BOULEVARD, 11<sup>TH</sup> FLOOR  
ARLINGTON, VIRGINIA  
RPC No. 16033001**

**February 20, 2010**



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