

LEASE AGREEMENT

THIS LEASE AGREEMENT (this “**Lease**”) is made and entered into July 1, 2017 (“**Effective Date**”), by and between Rural/Metro Corporation, an Arizona corporation (“**Tenant**”) and the Town of Fountain Hills, an Arizona municipal corporation (“**Landlord**”). The parties agree as follows:

1. Premises. Upon the terms and conditions herein, Landlord desires to lease to Tenant and Tenant desires to lease from Landlord, those certain areas within the real property described below on a non-exclusive basis and as designated by Landlord from time to time:

1.1 Fire Station 1. For Fire Station 1, located at 16426 E. Palisades Blvd., Fountain Hills, Arizona, the following such areas commonly known as: (A) a space for an ambulance in the apparatus bay; (B) ambulance bunkroom; (C) ambulance day room; (D) male and female bathroom on the lower level; (E) EMS storage cabinet in hallway on the lower level; and (F) a shared parking lot for Tenant’s employees, contractors and agents (collectively, the “**Station 1 Premises**”).

1.2 Fire Station 2. For Fire Station 2, upon its completion at 10650 N. Fountain Hills Blvd., Fountain Hills, Arizona, the following such areas commonly known as: (A) a space for an ambulance to park in the apparatus bay; (B) sleeping quarters for two personnel; (C) shared use of the day room, kitchen, fitness facilities, restrooms and laundry facilities; (D) shared use of the approximately 60 square foot storage area (room 139) adjacent to apparatus bay 3; and (E) shared use of the parking lot for Tenants employees, contractors and agents (collectively, the “**Station 2 Premises**”). Prior to the date the Station 2 Premises becomes available for Tenant’s occupancy (the “**Station 2 Occupancy Date**”), the term “**Premises**” as used in this Lease shall refer only to the Station 1 Premises. Following the Station 2 Occupancy Date, “**Premises**” shall collectively refer to the Station 1 Premises and the Station 2 Premises.

2. Term.

2.1 Initial Term. The initial term of this Lease shall be a period commencing on the Effective Date and terminating on the date that is five years after the Effective Date, unless earlier terminated in accordance with the terms hereof (the “**Initial Term**”), subject to the provisions of Section 2.3 below.

2.2 Renewal Term. Tenant shall have the option (a “**Renewal Option**”) to extend the Initial Term for two additional two-year terms (each, a “**Renewal Period**”), subject to the provisions of Section 2.3 below. The Initial Term and each Renewal Period are hereinafter collectively referred to as the “**Term**.”

2.3 Relationship to Fire Services Agreement. The Term of this Lease must coincide with the term of that certain Fire Protection and Emergency Medical Services Agreement dated June 30, 2017, for fire protection and emergency medical services by and between Landlord Rural Metro Fire Dept., Inc. (the “**Agreement**”), as amended.

Notwithstanding anything to the contrary contained in this Lease, this Lease shall immediately terminate upon termination of the Agreement for any reason.

3. Rent.

3.1 Rental Amount. During the Term, Tenant shall pay to the Landlord as rent (“**Rent**”) for the Premises from and after the Effective Date the amounts specified below, which shall cover all costs, taxes, maintenance, operating costs and utilities, as follows:

A. During the Initial Term, for the period of time that only the Station 1 Premises is available for occupancy by the Tenant: \$31,500.00 per annum.

B. During the Initial Term, for the period of time that both the Station 1 Premises and the Station 2 Premises are available for occupancy by the Tenant: \$63,000.00 per annum.

C. During any year during the Renewal Period: Rent shall be increased by three percent over the previous year’s Rent.

3.2 Due Date. Rent shall be payable on or before the fifth business day of each month in equal monthly installments (except that rental payable for less than a full month shall be payable based on the number of days in such month for which such rental is payable) at Landlord’s mailing address in Section 23 of this Lease or at such other place as Landlord has notified Tenant in writing at least 30 days in advance.

4. Use of the Premises. Tenant may use and occupy the Premises only for the following uses:

4.1 Emergency Medical Services. Activities associated with providing medical emergency and non-emergency transportation and related services to the community and/or adjacent communities, including, but not limited to:

A. Parking, staging, washing and cleaning, maintaining and/or repairing of ambulance and/or other emergency vehicles;

B. Stocking, and/or replenishing medical supplies related to ambulance services rendered to the community; and

C. Occupying the Premises 24 hours a day, 7 days a week, with vehicles and/or employees departing and returning to the Premises at any time, day or night.

4.2 Other Purposes. Any other lawful use or purpose specifically related to the activities set forth in Section 4.1 above.

5. Condition of Premises and Improvements.

5.1 Landlord Representations and Warranties. Landlord represents and warrants as of the Effective Date of this Lease:

A. The Premises electrical, plumbing (including septic, if applicable), sprinkler, and HVAC systems, are sound, operational and in good working condition (for example - the HVAC unit sufficiently heats and cools the Premises).

B. For the Term of this Lease, the physical structure including but not limited to the buildings, their supports, ceilings, and/or roofing are physically sound without material fault and/or infestation (for example - the roof and roofing system are structurally sound and watertight).

C. The Tenant, on paying Rent and performing its obligations under the Lease herein, shall have, and hold quiet enjoyment and non-exclusive leasehold title, occupation and enjoyment of the Premises during the Term of this Lease.

D. The Premises, to the Town Manager's actual knowledge without investigation, including subsurface soils, ground water or surface water are: (i) free from any Hazardous Substances; and (ii) in compliance with all applicable Environmental Laws. For purposes of this Lease, "**Hazardous Substance**" or "**Hazardous Substances**" shall mean any chemical, pollutant, contaminant or waste (including, without limitation, toxic, hazardous, infectious, sanitary, solid, radioactive material containing polychlorinated biphenyls), as such terms, or any similar terms, are at any time used under any applicable federal, state, local and foreign laws, statutes, codes, regulations, rules, ordinances, decrees, permits, administrative orders, judicial decisions or the like (collectively "**Laws**") relating to pollution or protection of the environment, natural resources or human health. "**Environmental Laws**" shall mean any and all Laws relating to (i) pollution or protection of the environment, natural resources or human health from any Hazardous Substance; or (ii) nuisance, trespass or toxic tort, including, without limitation, Laws relating to emissions, discharges, releases or threatened releases of any Hazardous Substance or otherwise relating to the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transportation or handling of any Hazardous Substance. Environmental Laws also shall include, but are not limited to, the Clean Air Act, the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, the Safe Drinking Water Act, the Occupational Safety and Health Act of 1970 ("**OSHA**"), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("**CERCLA**"), the Superfund Amendments and Reauthorization Act of 1986 ("**SARA**"), the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 ("**RCRA**"), the Hazardous Substances Transportation Act, and the Toxic Substances Control Act of 1976 ("**TSCA**") and any amendments to any of the foregoing or rules promulgated thereunder. Landlord shall be solely responsible for any contamination or Hazardous Substances on or under the Premises that occurred or is the result of or continues as a result of any direct or indirect event prior to the Effective Date of this Lease. Tenant shall not be responsible for any event that was caused by any direct or contributing action or failure to act on the part of

Landlord, and Tenant shall not be in any way responsible for any contamination or Hazardous Substances above or below ground that are caused by or contributed to by any other extraneous property.

5.2 Environmental Remediation. If at any time any removal or remediation of any environmental contaminant is sought or ordered or any liability or penalty is sought or imposed by any person with respect to the Premises, or by any authority having jurisdiction thereof on account of the presence of any Hazardous Substance at or any migration thereof from the Premises, whether based on alleged violation of applicable Environmental Laws, actual damage to persons or property resulting therefrom, or otherwise, Landlord shall defend, indemnify and hold harmless Tenant therefrom and against all claims, demands, losses, costs, expenses, and liabilities on account thereof, unless and to the extent caused by any breach of Tenant's obligations hereunder or caused by Tenant or its employees, invitees or guests.

5.3 Tenant Inspection. Tenant shall have the right but not the duty or obligation, prior to taking possession of the Premises, and at any other time during the Term, to inspect and test for the presence of Hazardous Substances on or about the Premises. If any such inspection or test suggests that Hazardous Substances are present, Tenant shall promptly give notice thereof to Landlord, and Tenant shall have the right, if Tenant so elects, to terminate this Lease upon 30 days' notice to Landlord. Upon notice to the Landlord of the presence of Hazardous Substances on the Premises, Landlord may arrange for the prompt remediation and removal of such Hazardous Substances. If Hazardous Substances are discovered in the Premises prior to Tenant taking possession of the Premises, and Tenant elects not to terminate the Lease, the Premises shall not be deemed available to Tenant and Rent shall not be due or commence unless and until Landlord has completed the remediation and removal of such Hazardous Substances; provided, however, that if Landlord elects not to remediate or remove such Hazardous Substances as described above, Landlord shall have the right to terminate this Lease upon 30 days' notice to Tenant. After the completion of remediation undertaken by Landlord, Tenant shall again have the right, prior to taking possession, to re-inspect for the presence of Hazardous Substances. If any such re-inspection shows that Hazardous Substances remain, Tenant shall have the right to terminate this Lease upon 30 days' written notice to Landlord.

5.4 No Tenant Changes. Tenant may not make any changes to the Premises, whether structural, nonstructural or cosmetic, without Landlord's express, prior, written consent.

6. Maintenance and Repairs.

6.1 Landlord's Obligations. Landlord shall perform all routine repairs and maintenance and shall repair, remove and/or replace all exterior, interior, structural and/or nonstructural items including without limitation, the building(s)' structure, roof (including all substructure thereof), gutters, exterior walls, doors, interior walls, plumbing, HVAC system, refrigeration (including condensers and related equipment), electrical, fixtures, parking lot and/or all other improvements located on the Premises.

6.2 Failure to Maintain, Repair and Replace. If Landlord fails to address and either repair or replace any items to be addressed by Landlord under this Lease or is not diligently completing the item(s) within 10 days of the Tenant's written notice of such items, in

addition to any other rights or remedies Tenant may have at law or in equity, Tenant may make such reasonable needed repair(s) and/or replacement(s). Tenant shall have the right of setoff or deduct and reduce Tenant's Rent (or any other amounts due under this Lease) by any reasonable amounts it incurs under this Lease, together with a 5% administrative fee. Notwithstanding the above, if the item that is the Landlord's responsibility fails and its failure causes substantial unreasonable interference and/or difficulty, or unreasonably affects the health and wellness of the Tenant, its employees, agents, contractors or licensees, or unreasonably affects the ability of Tenant to conduct its business in the Premises, then Tenant shall have the right to terminate this Lease.

7. Tenant's Equipment. All of Tenant's personal property and equipment hereafter on or about the Premises or any part thereof, which are the property of the Tenant or any permitted sublessee or assignee of Tenant (the "Tenant's Equipment") shall remain the property of Tenant, subject to Sections 7.1 and 7.2 below:

7.1 Removal; Repair. Tenant shall have the right at any time during the Lease Term to remove from the Premises all or any part of Tenant's Equipment in or on the Premises without regard to the manner placed on or affixed to the Premises, provided that Tenant, at its sole expense, immediately will repair or be obligated for all costs and expenses in connection with all damage to the Premises caused by the removal of Tenant's Equipment therefrom.

7.2 Abandoned Equipment. Any of Tenant's Equipment not removed by Tenant at its expense within 30 days after the expiration or earlier termination of this Lease shall be considered abandoned by Tenant and may be appropriated, sold, destroyed or otherwise disposed of by Landlord without any further notice to Tenant, and without obligation to account therefor; provided, however, that after such 30th day, Tenant will pay Landlord, upon demand, all reasonable costs and expenses incurred by Landlord in removing, storing, or disposing of any of Tenant's Equipment. Tenant at its expense will immediately repair or be obligated for all costs and expenses in connection with all damage to the Premises caused by any removal of Tenant's Equipment therefrom. Landlord shall not be responsible for any loss of or damage to Tenant's Equipment.

8. Destruction of Premises.

8.1 Damage and Restoration. If all or any portion of the Premises shall be partially or totally damaged or destroyed by fire or other casualty, then, whether or not the damage or destruction shall have resulted from the fault or neglect of Tenant or its employees, agents, contractors or invitees, Landlord may, with reasonable dispatch and continuity, perform all work necessary to repair, restore, replace and rebuild the Premises or the damaged portion thereof, including all alterations, improvements and additions therein regardless of by whom made (the "**Landlord's Restoration Work**").

8.2 Rent Modification. If the Premises is rendered partially untenable as a result of a fire or other casualty, Rent payable hereunder shall be abated in proportion to the area of the Premises that is rendered untenable for the period from the date of such damage or destruction to the date upon which Landlord's Restoration Work is completed. If the Premises is rendered totally untenable, Rent payable hereunder shall abate completely for the period from

the date of such damage or destruction to the date upon which Landlord's Restoration Work is completed.

8.3 Option to Terminate due to Substantial Damage. Notwithstanding any contrary provision contained in this Section 8, if 20% or more of the Premises is rendered untenantable by fire or other casualty, Landlord or Tenant may, at its respective option, terminate this Lease by giving written notice to the other within 30 days after the date of such fire or other casualty. Such termination shall be effective on the date specified in such notice of termination.

8.4 Option to Terminate due to Timing of Restoration. If Landlord shall not complete Landlord's Restoration Work within 90 days after the date of any fire or other casualty, Landlord or Tenant may, at its option, terminate this Lease by giving written notice to the other at any time after said 90-day period and prior to the date the Landlord's Restoration Work is completed. Such termination shall be effective on the date specified in such notice of termination.

8.5 Rent Refund. Any Rent paid by Tenant for a period beyond the date of termination of this Lease or for any period of abatement shall promptly be refunded by Landlord to Tenant.

8.6 Express Remedy. The provisions of this Section 8 shall be considered an express agreement governing any case of damage or destruction of the Premises by fire or other casualty and any law now or hereafter in force which is inconsistent with the provisions of this Section 8 shall have no application.

9. Condemnation.

9.1 Termination. If at any time during the Term, title to the whole or materially all of the Premises shall be taken by the exercise of the right of condemnation or eminent domain, or by agreement among Landlord, Tenant and those authorized to exercise such right, this Lease shall terminate and expire on the date of such taking, and the Rent required to be paid by Tenant shall be apportioned and paid to the date of such taking. For purposes of this Section 9 "materially all of the Premises" shall be deemed to mean that so much of the Premises (including loss of parking) have been taken that Tenant's customary use thereof for its operations is materially altered in Tenant's reasonable judgment.

9.2 Proceeds. In the event of the taking of the whole or any part of the Premises at any time during the Term, the rights of Landlord and Tenant to share in the net proceeds of any award for the Premises and damages upon any such taking, shall be as follows and in the following order of priority:

A. To Tenant, the value of any personal property and fixtures owned by Tenant, and any other item of damage to Tenant, including the value of Tenant's leasehold, business interruption and relocation expenses. Tenant may join in Landlord's action or pursue a separate action;

B. To Landlord, the entire award except as provided in Subsection 9.2(A) above.

9.3 Partial Taking. If at any time during the Term, title to less than the whole or less than materially all of the Premises shall be taken as aforesaid, all of the award or awards resulting from said condemnation shall be applied by the parties and paid over to the cost of demolition, repair and restoration of that part of the Premises that are the responsibility of each party, as the case may be. Any balance remaining in the hands of Landlord after payment of such costs of repair and restoration shall be kept by Landlord and the Rent adjusted as provided in Section 9.4 below.

9.4 Reduced Rent. If title to less than the whole or less than materially all of the Premises shall be taken as aforesaid, this Lease shall continue, but the Rent thereafter payable by Tenant shall be reduced from the date of such partial taking in the same proportion as the number of square feet in the building on the Premises left after the taking as said amount bears to the total number of square feet in the building on the Premises immediately prior to such taking, and shall be further equitably reduced for any lost parking. In addition, Rent shall abate for such period of time and in such similar manner during the course of said restoration and rebuilding.

9.5 Temporary Taking. If the temporary use of the whole or any part of the Premises shall be taken by any lawful power or authority, by the exercise of the right of condemnation or eminent domain, and such temporary use materially interferes with Tenant's use of the Premises as reasonably determined by Tenant, Tenant may terminate this Lease upon 30 days' notice to Landlord. If such temporary taking does not materially interfere with Tenant's use of the Premises, the term of this Lease shall not be reduced or affected in any way and Tenant shall continue to pay in full the Rent and other charges required to be paid hereunder, without reduction or abatement. Tenant shall be entitled to receive for itself any award or payment made for such use.

10. Compliance with Requirements. Tenant, during the Term, will promptly and diligently do all of the following:

10.1 Legal and Insurance. Comply with all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to all or any part of the Premises or any use or condition thereof (the "Legal Requirements"), and all terms of an insurance policy covering or applicable to the Premises or any part thereof, all requirements of the issuer of any such policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting all or any part of the Premises or any use or condition thereof (the "Insurance Requirements").

10.2 Permits and Licenses. Procure, maintain and comply with all permits, licenses, franchises and other authorizations required for the use of the Premises or any part thereof then being made by Tenant, and for the proper erection, installation, operation and maintenance of the Tenant's Equipment or any part thereof.

10.3 Recorded Instruments. Comply with any instruments of record at the time in force affecting the Premises or any part thereof.

11. Liens. If the Premises, or any part thereof, shall at any time become subject to a claim for any vendor's, mechanic's, laborer's or materialmen's lien based upon the furnishing of material, labor or professional services to Tenant or the Premises and contracted for by Tenant or its contractors or subcontractors, Tenant shall cause the same, at Tenant's expense, to be discharged or bonded over (pursuant to ARIZ. REV. STAT. § 33-1003 or § 33-1004) within 20 days after notice thereof, and Tenant shall indemnify and hold Landlord harmless from all liability, loss, costs and expenses arising from such a lien.

12. No Claims Against Landlord. Nothing contained in this Lease shall constitute any consent (except where consent is expressly required and given under this Lease) or request by Landlord, express or implied, for the performance of any labor or services or the furnishings of any materials or other property in respect of the Premises or any part thereof, or as giving Tenant any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit any claim against Landlord. Any labor, services or material furnished to the Premises in connection with the fulfillment of Tenant's obligations hereunder shall be the sole responsibility of Tenant.

13. Storage and Use of Regulated Products. The Tenant shall not, and shall not permit any of Tenant's agents, employees, volunteers, beneficiaries, contractors, subtenants, and licensees to, store or use any Hazardous Substance, fuels or other petroleum products, chemicals, herbicides, pesticides, fertilizers, paint or other such regulated projects on the Premises without the prior, written approval of the Landlord. In the event of any contamination of property or loss or damage to persons arising from any Hazardous Substance introduced by Tenant onto the Premises, whether with or without Landlord's consent, Tenant shall (A) notify Landlord immediately of any contamination, claim of contamination, loss or damage, (B) after consultation and approval by Landlord, clean up the contamination in full compliance with all applicable statutes, rules and regulations and (C) indemnify, defend and hold Landlord harmless for, from and against any liabilities, claims, suits, causes of action, costs and expenses, including reasonable attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

14. Indemnity.

14.1 Tenant Indemnity of Landlord. To the fullest extent permitted by law, the Tenant shall indemnify, defend and hold harmless the Landlord and each councilmember, officer, employee or agent thereof (the Landlord and any such person being herein called a "Landlord Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Landlord Indemnified Party may become subject, under any theory of liability whatsoever ("Landlord Claims"), insofar as such Landlord Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with

use of the Premises by the Tenant, its invitees, its officers, employees, agents, or any tier of subcontractor in the performance of this Lease. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

14.2 Landlord Indemnity of Tenant. Subject to Section 31 below, to the fullest extent permitted by law, the Landlord shall indemnify, defend and hold harmless the Tenant and each officer, employee or agent thereof (the Tenant and any such person being herein called an "Tenant Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Tenant Indemnified Party may become subject, under any theory of liability whatsoever ("Tenant Claims"), insofar as such Tenant Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with use of the Premises by the Landlord, its invitees, its officers, employees, agents, or any tier of subcontractor in the performance of this Lease. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

15. Insurance. For purposes of providing insurance coverage during the Term of this Lease, Tenant shall provide Landlord, on or before the Effective Date, with a certificate of insurance demonstrating the following coverage:

15.1 Commercial General Liability and Automobile Liability. Commercial general liability insurance and automobile liability with coverage limits of not less than \$1,000,000 for each occurrence, with an overall aggregate limit of \$5,000,000.

15.2 Property Coverage. Property insurance providing coverage for Tenant's furniture, personal property, fixtures and equipment in the Premises, with coverage in an amount equal to the replacement cost thereof.

15.3 Additional Insured. The commercial general liability, and automobile liability insurance coverage required hereunder shall name the Landlord, its agents, employees, and officers, as an Additional Insured.

15.4 Notice of Cancellation. Tenant shall immediately notify the Landlord, in writing, of Tenant's cancellation of its insurance coverage.

15.5 Certificates of Insurance. Upon written request, Tenant shall furnish to Landlord Certificate(s) of Insurance and related endorsements issued by Tenant's insurer as evidence that the coverage: (A) is placed with reasonably acceptable insurers; (B) is detailed on the Certificate(s) as specified in this Lease; and (C) is in full force and effect on the Effective Date. Upon written request, Tenant shall also furnish to Landlord updated Certificate(s) as policies are renewed.

15.6 Waiver of Subrogation Rights. Landlord and Tenant and all parties claiming under them mutually release and discharge each other from all claims and liabilities

arising from or covered by insurance required to be maintained, respectively, by the parties under this Lease, regardless of the cause of the damage or loss. Each party shall secure from its insurer proof that its respective insurer honors this provision.

16. Assignments and Subleases. Tenant may not sublet the Premises, or any part thereof, without the prior, written consent of Landlord in its sole discretion. Tenant shall not assign this Lease without the prior, written consent of Landlord in its sole discretion. Any such assignment for which Landlord has given its consent shall not release Tenant hereunder, and any assignee or sublessee shall expressly be bound by all of the Tenant's obligations hereunder.

17. Surrender. At the expiration or earlier termination of this Lease, Tenant shall peaceably and quietly surrender the Premises to Landlord in a broom-clean and sanitary condition and in essentially the same order, condition and repair as of the Effective Date, with respect to the Station 1 Premises and as of the Station 2 Occupancy Date with respect to the Station 2 Premises, ordinary and reasonable wear and tear and damage by casualty or condemnation excepted. Any improvements, fixtures or personal property left on the Premises by Tenant at the termination of this Lease shall, at Landlord's sole discretion, belong to Landlord. If Landlord rejects possession of any Tenant improvements, fixtures or personal property, Tenant shall, within 30 days after notice from Landlord: (i) remove such improvements, fixtures or personal property at its sole expense; and (ii) restore any damage to the Premises caused by such removal.

18. Default – Grounds. The occurrence of either of the following events shall constitute a Default on the part of Tenant:

18.1 Rent Failure. Failure to pay any Rent or any other sum due and payable hereunder within 10 business days after written notice of failure to pay on its due date has been received by Tenant.

18.2 Performance Failure. Default in the performance of any of Tenant's obligations under the Agreement or hereunder where such default is continuing for 30 days after written notice thereof from Landlord to Tenant and Tenant has failed to cure the default or has failed to commence curing the default, and to diligently and in good faith prosecute the default's cure to completion.

19. Default – Remedies. Upon the happening of any Default, Landlord, at any time thereafter, may:

19.1 End Term. With notice to Tenant, declare the Term ended and through court proceedings only, remove and/or evict Tenant and all parties occupying the same or any of them, and again repossess and enjoy the Premises.

19.2 Cure Defaults. Cure any Default(s) of Tenant and add the Landlord's reasonable expenses, including reasonable attorneys' fees, in doing so to the Tenant's Rent to be paid hereunder. Landlord may add interest on any such sum at the rate of 12% per annum due under this Section until paid, together with a 5% administrative fee.

19.3 Cumulative Remedies. Each right, power and remedy of Landlord and Tenant provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall be, cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Landlord of any one or more of the rights, powers or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Landlord of any or all such other rights, powers or remedies.

19.4 Recovery of Costs and Expenses. If any action, whether at law or equity, is instituted by either party for default by the other under this Lease, the prevailing party shall be awarded all costs and expenses incident thereto.

19.5 No Relocation Benefits. Except as set forth in Section 9 above, upon termination of this Lease, Tenant acknowledges and agrees that it is not entitled to receive any relocation benefits or assistance under federal and state relocation laws and regulations and shall make no claim for such relocation benefits.

20. Performance on Behalf of Tenant. If Tenant fails to perform any act required hereunder to be made or performed by Tenant, and provided Landlord has given Tenant 30 days written notice of its intent to do so and Tenant has failed during said period to perform the act required to be performed by Tenant, then Landlord may, but shall be under no obligation, to perform such act with the same effect as if made or performed by Tenant. Notwithstanding the immediately preceding sentence, Landlord may proceed immediately in the event of an emergency without any notice to Tenant other than bona fide attempts to contact by telephone as soon as reasonably possible under the circumstances Tenant's representative (whom Tenant may change from time to time) whose name and telephone number Tenant has furnished in writing to Landlord prior to such emergency. Entry by Landlord upon the Tenant's shared portion of the Premises for such purpose shall not waive or release Tenant from any obligation hereunder. Tenant shall reimburse Landlord for all sums so paid by Landlord and all costs and expenses incurred by Landlord in connection with Landlord's payment or performance under this Section, and no such payment or performance by Landlord pursuant hereto shall be deemed to limit any right of Landlord or relieve Tenant from any Default hereunder.

21. Tenant's Authorized Persons. It is expressly understood between the parties hereto that Tenant's regional and/or local employees including, without limitation, those working at the Premises, are not empowered to give instruction regarding the leasehold. Only Tenant's National Director of Real Estate or the Tenant signatory to this Lease is empowered to give any instruction or notice regarding the Lease and any notice or instruction issued by any other party is null and void.

22. Holding Over. If Tenant holds over in the Premises beyond the expiration of the Term, this Lease will continue to govern the relationship of the parties except that the Term shall be deemed a month to month tenancy, which tenancy may be terminated as provided by law, and the Rent payable to Landlord by Tenant shall be the sum of 125% of the Rent in effect upon such expiration.

23. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to Landlord: Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268
Attn: Grady E. Miller, Town Manager

With copy to: GUST ROSENFELD P.L.C.
One East Washington Street, Suite 1600
Phoenix, Arizona 85004-2553
Attn: Andrew J. McGuire

If to Tenant: Rural/Metro Corporation
9221 East Via de Ventura
Scottsdale, Arizona 85258
Attn: Legal Counsel

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

24. Subordination and Attornment. Landlord may convey or otherwise dispose of the Premises and Landlord shall have the absolute right to mortgage or encumber by deed of trust the Premises. This Lease, at Landlord's option, shall be subordinate to any mortgage or deed of trust which may be placed on the Premises and to any and all advances made or to be made pursuant to any such mortgage or deed of trust, and to all renewals, replacements and extensions of any such mortgage or deed of trust; provided that each such subordination shall be on the condition that the mortgagee or deed of trust beneficiary and trustee shall execute and deliver to Tenant an agreement ("Nondisturbance Agreement") to the effect that, so long as a Default caused by Tenant is not occurring hereunder, such mortgagee, beneficiary or trustee will recognize this Lease and not disturb or otherwise interfere with Tenant's leasehold and other rights under this Lease. Subject to the Nondisturbance Agreement, Tenant shall execute and deliver such further instrument evidencing this subordination as Landlord may reasonably request.

25. Right of Entry. Landlord may, at all reasonable times and during usual business hours, enter upon the Premises for the purpose of inspecting, repairing or preserving the same.

26. General Terms.

26.1 Waiver. The failure by either party to insist on strict performance by the other party of any provision of this Lease shall not be a waiver of any subsequent breach or default of any provision of this Agreement.

26.2 Severability. If any portion or portions of this Lease shall be for any reason invalid or unenforceable, the remaining portion(s) shall be valid and enforceable and carried into effect unless to do so would clearly violate the present legal and valid intention of the parties hereto.

26.3 Survival. Any provisions of this Lease creating obligations extending beyond the term of this Agreement shall survive the expiration or termination of this Lease, regardless of the reason for such termination.

26.4 Headings. The headings used in this Lease are for convenience only and do not limit the contents of this Lease.

26.5 Amendments. Any amendments to this Lease shall be effective only if in writing and signed by authorized representatives of both parties.

26.6 Entire Agreement. Except for the Agreement, this Lease constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any previous agreements or understandings, whether oral or written.

26.7 No Third Party Beneficiary. Neither party intends in any manner whatsoever to create an interest or beneficiary in a third party.

26.8 Legal Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Lease, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees, costs, and expenses.

26.9 Time. Time is of the essence hereof.

26.10 Publicity. Neither party shall identify or make reference to the other party in any communication, advertising or other promotional modality regardless of its form without prior written consent from the other party.

27. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, regardless of whether either party is or may become a resident of another state, and suit pertaining to this Agreement may be brought only in courts in the Maricopa County, Arizona.

28. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

29. Compliance with Federal Law. This Lease has been negotiated at arms-length and in good faith by the parties. Nothing contained in this Lease, including any compensation paid or payable, is intended or shall be construed to (A) require, influence or otherwise induce or solicit either party regarding referrals of business or patients or the recommending of any medical goods or services to the other party or any of its affiliates; or (B) interfere with a patient's right to choose his or her own health care provider. It is the intent of the parties that the terms and conditions of this Lease comply with certain federal laws and regulations concerning the delivery of health care services, including, without limitation, the Ethics in Patient Referrals Act codified at 42 U.S.C.A. § 1395(nn) and the general proscription on fraud and abuse in Medicare and Medicaid codified at 42 U.S.C.A. §1320a-7(a) and 1320a-7(b).

30. Form W-9. Landlord agrees to provide Tenant with a fully completed and properly signed US Department of Treasury form W-9 at least 30 days prior to the Rent Effective Date. No Rent shall be due or payable until Tenant receives the form W-9. If Landlord changes its business or legal name, Landlord agrees to notify Tenant in writing, within 30 days of any such change, and submit a new Form W-9 reflecting such change(s).

31. Budget Law and Non-appropriation. Landlord is obligated only to pay its obligations set forth in this Lease as may lawfully be made from funds appropriated and budgeted for that purpose during Landlord's then current fiscal year. Landlord's obligations under this Lease are current expenses subject to the "budget law" and the unfettered legislative decision of the Landlord concerning budgeted purposes and appropriation of funds. Should Landlord elect not to appropriate and budget funds to pay its Lease obligations, this Lease shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and Landlord shall be relieved of any subsequent obligation under this Lease. The parties agree that the Landlord has no obligation or duty of good faith to budget or appropriate the payment of the obligations found in this Lease in any budget in any fiscal year other than the fiscal year in which this Lease is executed and delivered. Landlord shall be the sole judge and authority in determining the availability of funds for its obligations under this Lease and Landlord shall keep the other party informed as to the availability of funds for this Lease. The obligation Landlord to make any payment pursuant to this Lease is not a general obligation or indebtedness of Landlord. The Tenant hereby waives any and all rights to bring any claim against the Landlord from or relating in any way to Landlord's termination of this Lease pursuant to this Section 31.

32. Cancellation. Notice is hereby given that the provisions of ARIZ. REV. STAT. § 38-511 are applicable to this Lease and are hereby incorporated herein as though set forth in its entirety.

33. Disclosure. Notwithstanding anything to the contrary contained in this Lease, this Lease may be disclosed to any board, official, officer, party or person as Landlord or its counsel may determine is necessary, including entry into any public record and disclosure at any public meeting or hearing.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed by their duly authorized representatives on the day and year first above written.

LANDLORD:

TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation



Grady E. Miller, Town Manager

ATTEST:



Bevelyn J. Bender, Town Clerk

TENANT:

RURAL/METRO CORPORATION, an Arizona corporation



Timothy J. Dorn, COO / CFO