

LEASE AGREEMENT

THIS LEASE AGREEMENT is made between the CITY OF VALDEZ, a municipal corporation organized under the laws of the State of Alaska, hereinafter referred to as "LANDLORD" and VALDEZ MEDICAL CLINIC, L.L.C. a partnership of Dr. Kathleen Todd and Dr. John Cullen hereinafter referred to as "TENANT".

LANDLORD and TENANT agree as follows:

I – PROPERTY

1.01 Description. LANDLORD leases to TENANT and TENANT leases from LANDLORD the "exclusive area" premises outlined in Green and the "common area" outlined in Pink in Exhibit "A" attached hereto (hereinafter referred to as the "Premises"), located in the building, the location of which is indicated in Exhibit "A" attached hereto (hereinafter referred to as the "Building"), for the term, the rent, and subject to the covenants and conditions hereinafter provided. This Lease confers no rights either with regard to the subsurface of the land below the floor level of the Premises or with regard to airspace above the ceiling of the Premises. No easement for light or air is included in the Premises. The square footage of the exclusive area and one half of the common area is 3,791 square feet; the square footage of the storage area is 115 square feet.

II – TERM

2.01 Lease Term. The term of this lease shall begin October 1, 2013 and continue for two (2) years with two (2) two-year extensions or so long as the undersigned doctors practice medicine in Valdez on the premises, whichever is shorter. However, the LANDLORD shall retain the right to review and adjust the lease rate effective October 1, 2014 and each October 1st thereafter.

Should they cease to practice medicine on the premises in Valdez, they agree to give a minimum of sixty (60) days notice of cancellation to LANDLORD. TENANT and LANDLORD must both agree to each extension and must give the other party sixty (60) days written notice prior to the expiration of each two year term, of each party's intent to exercise the extension option.

III – RENT, TAXES, ASSESSMENTS, and UTILITIES

3.01 Rent. TENANT agrees to pay the LANDLORD as monthly rent at the rate of \$2.38 per square foot/month for the exclusive/common area for a total of \$9,022.58 per month and \$1.10 per square foot/month for the storage area for a total of \$126.50 per month. The total of both rents is \$9,149.08 per month. Rent shall be due without demand and payable in advance on the first day of each month during the term of this lease.

3.02 Utilities and Other Charges. LANDLORD shall pay all charges for electricity, fuel, oil, water, sewer, janitorial (per Exhibit B) and any and all other utility services used in the Building throughout the term of this lease, including any connection fees. LANDLORD shall pay and be responsible for all snow removal needed for safety and for access to the Building, including all entryways, roofs, walks, ramps and all other areas including driveways and parking areas.

3.03 Automatic Annual Inflation Adjustment. The monthly rent rate shall be adjusted annually for inflation. The annual inflation adjustment shall be three (3) percent. The first annual inflation adjustment shall go into effect on **October 1, 2015** at which time the monthly rate of \$9,149.08 shall be increased by three (3) percent. Thereafter, the three (3) percent annual inflation adjustment shall automatically go into effect every October 1st of each year of the remaining lease term.

IV – USE

4.01 Use. TENANT shall use the Premises for a medical clinic and for no other use without LANDLORD's consent. TENANT agrees to comply with all federal, state and local laws, ordinances and regulations, including, but not limited to, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (superfund) and any rules, regulations or directives of the U.S. Environmental Protection Agency. TENANT agrees to comply with the following rules and regulations and with such reasonable modifications thereof and additions thereto as LANDLORD may hereafter from time to time make for the Building. Common areas will be used in a reasonable manner as to cause the least inconvenience to other tenants also using the common areas.

(a) TENANT will not make or permit to be made any use of the Premises or any part thereof which would violate any of the covenants, agreements, terms, provisions and conditions of this Lease or which directly or indirectly is forbidden by any federal, state or local law, ordinance or regulations or which may be dangerous to life, limb, or property, or which may invalidate or increase the premium cost of any policy of insurance carried on the Building or covering its operation, or which will suffer or permit the Premises or any part thereof to be used in any manner or anything to be brought into or kept therein which, unreasonably impairs the character, reputation or appearance of the Building as a first class office building, or which will impair or interfere with or tend to impair or interfere with any of the services performed by LANDLORD for the Property.

(b) In the common area, should TENANT display, inscribe, print, paint, maintain or fix on any place in or about the Building any sign, notice, legend, direction, figure or advertisement, LANDLORD has the right to require any of the above to be removed upon request of LANDLORD. Upon termination of this Lease, the exclusive area of the Premises shall be returned to its original condition or better by TENANT at LANDLORD'S option, normal wear and tear excepted.

(c) No additional locks or similar devices shall be attached to any door or window without LANDLORD's consent. No keys for any door other than those provided by landlord shall be made. If more than two keys for one lock are desired, LANDLORD will provide the same with a key inventory control system. All keys must be returned to LANDLORD at the expiration or termination of this lease. This paragraph is not applicable to drug rooms/financial and patient records/information.

(d) The sidewalks, halls, passages, exits, entrances and stairways shall not be obstructed by TENANT or used for any purpose other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, stairways or roof are not for the use of the general public and LANDLORD shall in all cases retain the right to control and prevent access thereto by all persons whose presence, in the judgment of the LANDLORD, shall be prejudicial to the safety, character, reputation and interests of the Building and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom the TENANT normally deals in the ordinary course of TENANT'S business unless such persons are engaged in illegal activities. No tenant and no employees or invitees of any tenant shall go upon the roof of the building.

(1) Except as necessary for the provision of medical services, TENANT shall not use, keep or permit to be kept any foul, explosive or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the LANDLORD or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein.

e) TENANT shall see that the doors and windows, if openable, of the Premises are closed and securely locked before leaving the Building and must observe strict care and caution that all water faucets or water apparatus are entirely shut off before TENANT or TENANT'S employees leave the Building, and that all electricity shall likewise be shut off so as to prevent waste or damage, and for any default or carelessness TENANT shall indemnify LANDLORD for all injuries or losses sustained by other tenants or occupants of the Building or LANDLORD for breach of this section by TENANT.

In addition to all other liabilities for breach of any covenant of this paragraph the TENANT shall pay to the LANDLORD an amount equal to any increase in insurance premiums payable by the LANDLORD or any other tenant in the Building, caused by such breach.

V – IMPROVEMENTS

5.01 Improvements. TENANT may not make any improvements or alterations to the Premises without first obtaining LANDLORD's written permission, which permission shall not be unreasonably withheld.

5.02 Quiet Enjoyment. So long as TENANT shall observe and perform the covenants and conditions contained in this lease, shall, at all times during the term of this lease, peacefully and quietly enjoy possession of the premises without any disturbance or hindrance by, from or through LANDLORD.

VI – UTILITIES AND SERVICES

6.01 Utilities and Services. LANDLORD shall furnish to the Premises, as set forth in Paragraph 3.02 of this Lease, reasonable quantities of heat, electricity, water and sewer, as required for TENANT'S use. LANDLORD shall not be liable for failure to furnish utilities to the Premises when the failure results from causes beyond LANDLORD'S reasonable control, but in case of such failure LANDLORD will take all reasonable steps to restore the interrupted utilities. Any such interruption of utilities beyond the LANDLORD'S reasonable control shall never be deemed an eviction or disturbance of TENANT'S use and possession of the Premises, or any part thereof, or give TENANT any right to abatement of rent, or otherwise, or relieve TENANT from performance of any of TENANT'S obligations under this Lease.

If the LANDLORD is unable to maintain utilities as set forth in paragraph 3.02 of this lease for a period more than 20 days, the TENANT may terminate its interest in this lease or the TENANT will not be required to pay rent until the building is usable.

VII – TRADE FIXTURES

7.01 Trade Fixtures, Machinery and Equipment. It is expressly understood and agreed that any and all trade fixtures (including electrical fixtures), machinery, equipment of any nature whatsoever, and other personal property of TENANT at any time placed or maintained in the Building by TENANT shall be and remain property of the TENANT and may be removed or replaced at any time during the term of this lease provided that such removal shall not cause any damage to the Building.

7.02 Property Loss. The TENANT hereby releases the LANDLORD from liability and waives all right of recovery against the LANDLORD for any personal property loss unless such loss is a result from negligence on part of LANDLORD. TENANT shall be responsible for insuring its own personal property located within the Building.

VIII – ASSIGNMENT AND SUBLETTING

8.01 Assignment and Subletting. TENANT shall not assign or sublet all or any portion of the Premises under lease from LANDLORD, except for any change of business entity controlled by TENANT. No such assignment shall operate as to relieve the individual liability of TENANT. LANDLORD, hereby consents to TENANT making a portion of premises available to visiting physicians on a temporary basis, normally not to exceed three days a month per provider, for a fee.

IX - LIENS

9.01 Prohibition of Liens. TENANT shall not suffer or permit any lien to be recorded against the Premises. If any such lien shall be recorded, TENANT shall cause the same to be removed, and shall defend, indemnify and save LANDLORD harmless from any and all liability for damages or loss occasioned thereby.

X - INDEMNITY

10.01 Indemnity. Except to the extent that claims arise out of acts or omissions of LANDLORD, its agents, servants, employees or contractors, TENANT agrees to defend, protect, indemnify and hold LANDLORD harmless from and against any and all liability arising from acts or omissions of TENANT, TENANT'S employees, invitees, patients, licensees, contractors, etc., and of any nature whatsoever occurring in or about the Premises relating to the Premises or its use, causing injury to, or death of persons, or loss of, or damage to property or Premises, and from any expense incident to the defense of and by LANDLORD therefrom.

XI - INSURANCE

11.01 Liability Insurance. TENANT, during the term of this lease, shall carry at its expense public liability insurance covering the Premises and the property and TENANT'S use thereof in an amount of not less than One Million Dollars (\$1,000,000.00) combined single limit to protect against liability for personal injury, death or property damage which might arise from the occupancy or use of the Premises or the property or the operations conducted in or about it. Said insurance shall insure the performance by TENANT of the indemnity provisions of paragraph 10.01.

11.02 Names Insured, Notice to LANDLORD, and Waiver of Subrogation. All insurance policies required to be maintained by TENANT under paragraph 11.01 shall name LANDLORD as an additional insured. All policies issued under paragraph 11.01 shall contain an agreement by the insurers that such policies shall not be canceled without at least twenty (20) days prior written notice to LANDLORD, and certificates or copies of all such insurance policies shall be furnished to LANDLORD promptly after the issuance thereof. All policies issued under Paragraph 11.01 shall contain a waiver of any subrogation right any insurer might have against LANDLORD.

XII – CARE OF THE BUILDING

12.01 Care of the Building.

(a) Except as may be necessary to repair damage caused by TENANT or its agents, employees, patients or invitees, LANDLORD shall keep the foundations, stationary out walls and roof in good repair and shall provide all

major repairs necessary to keep the plumbing, sewage, electrical and heating systems in good repair.

(b) If TENANT refuses or neglects to commence repairs for which it is responsible within a reasonable time or within ten (10) days after receipt of written demand from the LANDLORD, whichever first occurs, or fails to complete such repairs within a reasonable time thereafter, LANDLORD may make repairs without liability to TENANT for any loss or damage that might occur to TENANT'S business by reason thereof, and if the LANDLORD shall make such repairs, TENANT shall pay to the LANDLORD, on demand, as additional rent, the costs thereof with interest at the rate of ten and one-half percent (10.5%) per annum from the dates of the accrual of the costs of such repairs.

12.02 Access Rights of LANDLORD. LANDLORD, its agents, servants, or employees, shall have the right to enter the Premises upon reasonable notice to TENANT and during normal business hours (defined as 9:00 am to 5:00 pm Monday through Friday except for holidays) for the purpose of inspecting the Premises. LANDLORD shall have the right, in the event of an emergency, to enter into the Premises to respond to the immediate needs resulting from the emergency.

XIII - LAWS

13.01 Compliance With Laws. TENANT shall comply with all applicable laws, ordinances or regulations of duly constituted public authorities now or hereafter enacted in any manner affecting TENANT's activities in the Premises whether or not any such laws, ordinances or regulations which may be hereafter enacted involve a change of policy on the part of the governmental body enacting the same. TENANT's professional practice of medicine in scope, extent and schedule will not be controlled by other than federal or state statutes or regulations.

XIV - CONDEMNATION

14.01 Condemnation. If the Building or any part thereof is condemned for public use and such taking substantially hinders the use of the Building for the purposes of TENANT, as may be reasonably determined by TENANT, this lease shall immediately terminate.

XV - DEFAULT

15.01 Default. Each of the following events shall be deemed an event of default by the TENANT under this lease and a breach of the terms, covenants and conditions of this lease:

(a) Default in Rent: Default in the payment of rent and additional sums which might become due under this lease for a period of fifteen (15) days from the due date for the payment of such rent or such additional sums.

(b) Default in Other Covenants. A default in the performance of any other term, covenant or condition on the part of TENANT to be kept, performed

or observed for a period of thirty (30) days after LANDLORD gives to TENANT a written notice specifying the particular default or defaults; provided, however, that any default on the part of TENANT in the performance of work or acts required by him to be done, or conditions to be modified, shall be deemed to be cured if steps shall have been taken promptly by TENANT to rectify the same and shall be prosecuted to completion with diligence and continuity.

(c) Prohibited Use. The use of the Premises for purposes other than those enumerated herein, to which LANDLORD has not given its written consent. LANDLORD agrees to provide TENANT thirty (30) days written notice of a violation of this provision.

(d) Abandonment. The failure of TENANT for thirty (30) days or more to occupy the Premises.

(e) License to Practice. The revocation or suspension of TENANT'S license to practice medicine, or the loss, revocation, or suspension of TENANT'S Drug Enforcement Administration (DEA) number or other controlled substances number. If TENANT consists of two or more individuals or business entities, the events of default specified in this paragraph (f) apply to each individual unless within thirty (30) days after an event of default occurs the remaining physicians produce evidence satisfactory to LANDLORD that a minimum of two (2) full-time practicing physicians are available and are providing medical care in Valdez at the Mary Kevin Gilson Medical Center. This paragraph will not apply if TENANT is pursuing available appeal processes regarding a loss or substantial curtailment of medical privileges so long as the loss or substantial curtailment of medical privileges does not exceed ninety (90) days.

(f) Malpractice Insurance. TENANT'S failure to obtain or continue in force professional liability insurance policy covering TENANT'S physicians practicing full-time in the amount of \$1,000,000/occurrence; \$3,000,000 aggregate, if, after being given notice of termination, TENANT does not cure within thirty (30) days.

(g) Medical Staff Privileges. TENANT'S loss or substantial curtailment of medical staff privileges at Providence Valdez Medical Center or its successors whether voluntary or involuntary, if, after being given notice of termination, TENANT does not cure such loss or curtailment of privileges within thirty (30) days. If TENANT consists of two (2) or more individuals or business entities, the events of default specified in this paragraph (h) shall apply individually unless within thirty (30) days after an event of default occurs the remaining physicians produce evidence satisfactory to LANDLORD that a minimum of two (2) full-time practicing physicians are available and are providing medical care in Valdez at the Valdez Medical Clinic Facility. This paragraph will not apply if TENANT is pursuing available appeal processes regarding a loss or substantial curtailment of medical privileges so long as the loss or substantial curtailment of medical privileges does not exceed ninety (90) days.

15.02 LANDLORD's Remedies. In the event of any default by TENANT as recited in paragraph 16.01 of this lease, LANDLORD shall have all of the below enumerated rights and remedies, all in addition to any rights and remedies that LANDLORD may be given by statute, common law or otherwise. All rights of LANDLORD shall be cumulative, and none shall exclude any other right or remedy. LANDLORD'S rights and remedies include the following:

(a) LANDLORD may upon thirty (30) days notice declare the term of this lease ended by written notice to TENANT. Upon such termination of this lease, TENANT shall surrender possession and vacate the Premises immediately, and deliver possession thereof to LANDLORD, and TENANT hereby grants to LANDLORD full and free license to enter into and upon the Premises in such event with or without process of law and to repossess LANDLORD of the Premises and to expel or remove TENANT and any others who may be occupying or within the Premises and to remove any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing LANDLORD'S right to rent or any other right given to LANDLORD hereunder or by operation of law.

(b) LANDLORD by written notice declare TENANT'S right to possession of its leased portion of the building terminated without terminating this lease. Upon such termination of TENANT'S right to possession, LANDLORD shall have all the rights to repossess the Building and remove TENANT and TENANT'S property that are enumerated in paragraph 15.02(a).

(c) LANDLORD may relet the Premises in whole or in part for any period equal to or greater or less than the remainder of the term of this lease for any sum which LANDLORD in its sole discretion may deem reasonable.

(d) LANDLORD may recover, whether this lease be terminated or not, from TENANT, damages provided for below consisting of items (i) and (ii):

(i) Reasonable attorney's fees and other expenses incurred by LANDLORD by reason of the breach or default by TENANT, and

(ii) An amount equal to the amount of all rent and any additional sums reserved under this lease, less the net rent, if any, collected by LANDLORD, on reletting the Premises. Such net rent collected on reletting by LANDLORD shall be computed by deducting from the gross rent collected all expenses incurred by LANDLORD in connection with the reletting of the Premises, or any part thereof, including the cost of cleaning, the cost of removal of TENANT and TENANT'S property by repossession, and the cost of any repairs or renovations necessary to restore the Premises to its original condition, ordinary wear and tear excepted.

(e) Re-entry or reletting of the Premises, or any part thereof, shall not be deemed a termination of this lease, unless expressly declared to be so by LANDLORD. If this lease shall be deemed terminated, TENANT'S liabilities shall survive and TENANT shall be liable for damages as provided in this paragraph 15.02.

XVI – GENERAL PROVISIONS

16.01 Conditions and Covenants. All the provisions of this lease shall be construed to be "conditions" as well as "covenants", as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

16.02 No Waiver of Breach. No failure by either LANDLORD or TENANT to insist upon the strict performance by the other of any term, covenant or conditions of this lease or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such terms, covenants or conditions. No waiver of any breach shall affect or alter this lease, but each and every term, covenant and condition of this lease shall continue in full force and effect with regard to any other then existing or subsequent breach.

16.03 Time of the Essence. Time is of the essence of this lease and of each provision.

16.04 Computation of Time. The time in which any act provided by this lease is to be done is computed by excluding the first day. The last day is to be included, unless it is a Saturday, Sunday or holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday or holiday. The term "holiday" shall mean all holidays as defined by the statutes of Alaska.

16.05 Successors in Interest. Each and all of the terms, covenants and conditions in this lease shall inure to the benefit of and shall be binding upon the successors in interest of LANDLORD and TENANT.

16.06 Entire Agreement. This lease contains the entire agreement of the parties with respect to the matters covered by this lease, and no other agreement, statement or promise made by any party which is not contained in this lease shall be binding or valid.

16.07 Governing Law. This lease shall be governed by, construed and enforced in accordance with the laws of the State of Alaska.

16.08 Relationship of Parties. Nothing contained in this lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between LANDLORD and TENANT other than the relationship of landlord and tenant.

16.09 Interpretation. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not for or against LANDLORD or TENANT.

16.10 Number and Gender. In this lease, the neuter gender includes the masculine and the feminine, and the singular number includes the plural; the word "person" includes corporation, partnership, firm or association wherever the context so requires.

16.11 Mandatory and Permissive. "Shall", "will", and "agrees" are mandatory; "may" is permissive.

16.12 Amendment. This lease is not subject to amendment except in writing executed by all parties thereto.

16.13 Delivery of Notices – Method and Time. All notices, demands or request from one party to another shall be delivered in person or sent by mail, certified or registered, postage pre-paid, to the addresses stated in the next paragraph and shall be deemed to have been given at the time of delivery, or, if mailed, three days after the date of mailing.

16.14 Notices. All notices, demands, and requests from TENANT to LANDLORD shall be given to LANDLORD at the following address:

City Manager
City of Valdez
PO Box 307
Valdez, AK 99686

All notices, demands, and requests from TENANT to LANDLORD shall be copied to LANDLORD at the following address:

Planning Technician
Community & Economic Development
City of Valdez
PO Box 307
Valdez, AK 99686

All notices, demands or requests from LANDLORD to TENANT shall be given to TENANT at the following address:

Drs. Kathleen Todd and John Cullen
Valdez Medical Clinic, L.L.C.
PO Box 1829
Valdez, AK 99686

16.15 Change of Address. Each party shall have the right, from time to time, to designate a different address by notice given in conformity with paragraph 16.14.

XVII – RETURN OF PREMISES AND ABANDONED PROPERTY

17.01 Return of Premises. TENANT shall, on or before the expiration of the lease term, surrender the premises, clean and in good condition and repair, reasonable wear and tear excepted, together with alterations, additions and improvements which may have been made upon the premises with LANDLORD'S consent, except movable furniture, movable personal property, or movable trade fixtures put in at the expense of the TENANT, subject, however, to the other provisions hereof. All of the property removable pursuant to the provisions of this paragraph shall be removed by TENANT on or before the termination of the lease. The TENANT shall repair and restore, and save the LANDLORD harmless from all damage to the Premises caused by such removal. If the Premises is not surrendered as provided for herein, the TENANT shall make good to the LANDLORD all damage which the LANDLORD shall suffer by reason thereof; and shall indemnify the LANDLORD against all claims made by any succeeding TENANT against the LANDLORD founded upon delay by the LANDLORD in delivering possession of the premises to such succeeding TENANT, so far as such delay is occasioned by the failure of the TENANT to surrender the premises.

17.02 Abandoned Property on Termination of Lease. Upon termination of his lease, any personal property, fixtures, machinery or equipment not claimed and removed from the property by TENANT within twenty (20) days after termination of this lease shall immediately become property of the LANDLORD without any payment or offset therefore. LANDLORD may dispose of any such property in any manner in which it sees fit and shall incur no liability to TENANT thereby.

XVIII - TERMINATION

18.01 Termination by TENANT. It is the desire of VALDEZ MEDICAL CLINIC, L.L.C. and Dr. Todd, and Dr. Cullen that rather than being committed to a long term lease agreement for a portion of the Mary Kevin Gilson Medical Center, they offered to commit to lease space in this facility so long as they practice medicine in Valdez in any capacity for any entity. In the event that VALDEZ MEDICAL CLINIC L.L.C. ceases to practice medicine in Valdez, for any reason whatsoever, TENANT may terminate this agreement upon sixty (60) days advance notice to the LANDLORD, and be discharged from further liability under it.

LANDLORD:

CITY OF VALDEZ

DATED: 7/7/14

By: 
John Hozey
City Manager

ATTEST: Sheri L. Pierce
Sheri L. Pierce, MMC, City Clerk

DATED: 7/7/14

Approved as to Form:
WALKER & RICHARDS, LLC
Attorneys for the City of Valdez

By: William M. Walker
William M. Walker



TENANT:
DRS. KATHLEEN TODD, JOHN CULLEN
d/b/a Valdez Medical Clinic, L.L.C.

DATED: 7/3/14

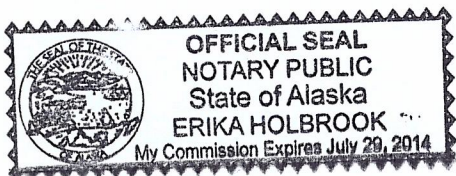
By: Kathleen G. Todd MD
Dr. Kathleen Todd

By: [Signature]
Dr. John Cullen

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the 3rd day of July, 2014, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared **Kathleen Todd** known to me and to me known to be the individual named in and who executed the foregoing document, and she/he acknowledged to me that she signed and sealed the same as her/his free and voluntary act for the uses and purposes therein stated.

WITNESS my hand and notarial seal the date and year first hereinabove written.

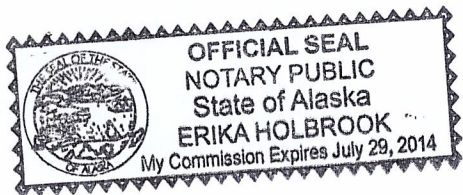


[Signature]
Notary Public in and for the State of Alaska
My Commission Expires: 7-29-14

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the 3rd day of July, 2014, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared **John Cullen** known to me and to me known to be the individual named in and who executed the foregoing document, and he acknowledged to me that he signed and sealed the same as his free and voluntary act for the uses and purposes therein stated.

WITNESS my hand and notary seals the date and year first hereinabove written.



Erika Holbrook
Notary Public in and for the State of Alaska
My Commission Expires: 7-29-14

EXHIBIT B

JANITORIAL SERVICES: The LANDLORD shall be responsible for janitorial/maintenance services as outlined below for the entire space. These services shall be performed after office hours unless otherwise specified or as convenient as possible to the occupying agencies. The premises generally are occupied Monday through Friday, except approximately 9 holidays per year. In the event that various areas are occupied at times other than specified herein, the janitorial services shall be performed at other times as convenient.

A DAILY SERVICES:

1. Empty wastebaskets. Collect all designated waste paper and trash and dispose of it away from the premises.
2. Maintain lobby area by straightening up chairs, magazines and toys; wipe down front doors and vacuum floor. Wipe or wash windows in lobby as needed.
3. Exam Rooms: Wipe down doorknobs, light switches, counter tops, sinks, cupboard fronts, chairs and other surface tops. Clean exam tabletop, sides and front (pull out foot steps). Vacuum carpets and mop floor surfaces.
4. Vacuum all carpets and rugs.
5. Dust all visible surfaces of furniture, fixtures and equipment, pictures, etc., up to six feet in height.

6. Mop or scrub toilet room floors, wash all plumbing fixtures with warm water and disinfectant. Disinfect urinals and water closets. Damp wipe all dispensers and tiled portion of toilet room walls.
7. Provide and maintain adequate supplies of toilet paper, deodorizers, towels and soap in toilet rooms. These supplies are to be standard or better quality and are to be furnished by the LANDLORD. LANDLORD shall also provide a closed disposal container for waste sanitary napkins.
8. Clean any drinking fountains.
9. Police sidewalks and parking areas by collecting and removing all trash and other discarded materials.
10. Kitchen: wipe off counters, appliances and spots on cabinets, clean sink and vacuum carpets.
11. Sterilization area: mop floor, fill soap container in sink, empty wastebaskets.
12. Offices and front reception area: Vacuum, empty trash, wipe down clear areas of desks.

B. WEEKLY SERVICES:

1. Remove all finger marks and smudges from walls, woodwork and glass surfaces.
2. Spot clean carpets.

C. MONTHLY SERVICES:

1. Vacuum fabric furniture.
2. Shampoo carpets that plainly need cleaning.

D. EVERY SIX-MONTH SERVICE:

1. Shampoo carpets and rugs.
2. Dust or vacuum window coverings such as blinds or drapes, etc., overhead pipes and molding, etc., that must be reached by ladder.
3. Dust or wash light fixtures as appropriate for greatest light efficiency.

4. Wash windows and glass wind deflectors inside and out leaving no streaks or unwashed places. Wipe water spots from sills and frames. Use drop cloths as required to protect adjacent surfaces. Fixtures and furniture. Wash windows at equal intervals of time, weather and conditions permitting.
5. Wash all wastebaskets.
6. Wash walls in public and common areas and halls.

E. AS REQUIRED:

1. Replace burned out lamps to be furnished by LANDLORD.
2. Remove snow and ice from sidewalks, entrances, roof overhangs, outside storage areas and parking areas rendering the areas safe to pedestrian traffic and automobile operation.
3. Furnish, clean and maintain rugs or entrance mats at each building entrance of sufficient size to preclude tracking. Maintain carpets as necessary.
4. Remove spots and stains from carpets, rugs and tile. Remove all foreign matter (gum, smudges, etc.) from floors, handrails and furniture.

F. COMPLIANCE:

The LANDLORD agrees that after written notice by the TENANT to the LANDLORD of the effect that the janitorial/maintenance obligations as specified herein for the demised premises have not been satisfactorily fulfilled, the TENANT may then obtain competent workers to correct the necessary items, all of which will be paid for the LANDLORD either by direct payment of by the TENANT making the payment to the workers and reducing the rent accordingly.