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DIPATTAMENTON ATMENESTRASION
GENERAL SERVICES AGENCY DIVISION
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LOURDES A. LEON GUERRERO
Governor (Maga'håga)
JOSHUA F. TENORIO
Lt. Governor (Sigundo Maga'låhi)

June 17, 2025

Invitation for Bid
GSA-047-25

AMENDMENT #1
Office Space Lease - DPHSS

1. Amend and replace pages 47 to 52 with the attached "Revised Pages 47 to 42" dated 6/16/2025.
2. Amend and replace pages 57 to 62 with the attached "Revised Pages 57 to 62" dated 6/16/2025.
3. Amend and replace pages 68 to 73 with the attached "Revised Pages 68 to 73" dated 6/16/2025.
4. Amend and replace pages 80 to 85 with the attached "Revised Pages 80 to 85" dated 6/16/2025.
5. Amend and replace pages 95 to 100 with the attached "Revised Pages 95 to 100" dated 6/16/2025.
6. Amend and replace pages 108 to 113 with the attached "Revised Pages 108 to 113" dated 6/16/2025.

Andriana Quitugua
Acting Chief Procurement Officer

Please Print
ACKNOWLEDGMENT COPY
Received By: _____
Date: _____
Company/Name: _____
Email To: gsaprocurement@gsadoa.guam.gov

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 1.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

1. **Premises:** Landlord hereby leases to Tenant, and Tenant leases from Landlord, under the terms, covenants and conditions contained in Invitation for Bid IFB GSA-047-25, and this lease, terms of the IFB including amendments, the Land and the Building (collectively, the "Premises").
2. **Term:** The term of this lease ("Term") shall be for a twelve (12) month period commencing on the date the [Agency] takes possession of this lease (_____), unless sooner terminated or extended. In accordance with the Title 5 of the Guam Code Annotated, §22401, (5 GCA §22401), this lease is at all times subject to appropriation and availability of government funds.
3. **Rent:**
 - (a) Tenant agrees to pay to Landlord a rental fee ("Rent") of _____ (US _____) per square foot of Floor Area x _____ square feet for a total of \$ _____ per month, for the Premises, without deduction, set-off, prior notice or demand, beginning on the lease Commencement Date and continuing on the first day of every month thereafter, during the Term of this lease. The suites occupied and dimensions are as follows:
 - (b) Tenant shall make all payments of Rent to Landlord or to the duly appointed agent or representative of Landlord. The procedure for Tenant's payment of Rent shall be as follows:
 - (i) Landlord will present an invoice for Rent for the Subsequent month on or before the fifteenth (15th) day of the preceding month.
 - (ii) All past due Rent and other payments shall accrue interest at the rate as allowed for by Title 5 of the Guam Code Annotated §22502, otherwise known as the Prompt Payment Act.
 - (iii) In the event the Term of this lease begins or ends on a date that is not the first day of a month, the Rent will be prorated as of that date based upon the number of days in the applicable calendar month.
4. **Option to Extend. (At the "Sole Discretion of the Government").**
 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
 - (b) Tenant's tenancy during any Extension Term shall be upon the same terms, covenants, and conditions as provided in this lease for the initial Term.
5. **Termination:**
 - (a) **Termination for Cause/Default:** If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the government may notify the Contractor in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Procurement Officer, such officer may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the government may procure similar supplies or services in a manner and upon terms deemed appropriate by the government. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
 - (b) **Termination for Convenience:** The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

10. Purpose: Tenant shall use the Premises at all times solely for the purpose of office space. It shall be the obligation of Tenant to obtain any and all licenses and permits necessary for such purpose. The Premises shall be only for the actual use and occupancy by Tenant and/or other agencies of the government of Guam.
11. Assignment/Lease: Tenant shall not assign, sublet or part with possession of any of the Premises without the prior written consent of Landlord which shall not be unreasonably withheld.
12. Alterations:
 - (a) No alteration, addition or improvement to the Premises shall be made by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. Landlord may, without limitation condition its consent upon and may require approval by Landlord of workmanship; approval by Landlord of contractors; and performance and payment bonds if reasonable explanation is provided.
 - (b) Any alteration, addition or improvement made by Tenant after such consent shall be given, and any permanent fixtures installed as a part of the Premises may, at Tenant's sole option, become the property of Landlord upon the expiration or other sooner termination of this lease.
 - (c) Tenant shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Tenant's obligations under this provision shall expire at the end of this lease.
 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
13. Nuisance: Tenant shall not permit on the Premises any unlawful acts, or any condition, act or thing constituting a public or private nuisance.
14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

Landlord shall have the right to temporarily close or restrict access to any of the Land and to make changes including, without limitation, changes in the location of driveways, entrances, exists, parking areas and traffic flow.

In the event that Landlord shall have to temporarily close or restrict access to any part of the premises, Landlord shall give Tenant reasonable notice, and conduct any closure or restriction of access so as to minimize any disruption to Tenant's business. If any closure is deemed by the Tenant to interfere with its generations, the Tenant shall have the right to terminate this agreement without penalty.

15. Holding Over: If Tenant shall remain in possession of the Premises after the expiration of the Term or any Extension Term of this lease, such possession shall be as a month-to-month Tenant. During such month-to-month tenancy, Rent shall be payable monthly under the same terms and conditions set forth in this lease for the payment of Rent, at a monthly rate equal to the Rent rate payable during the Term or last Extended Term of the lease for a maximum of ninety (90) days without written approval by the Landlord.
16. Utilities: Landlord shall be solely liable for and shall pay for, as the same become due, all utilities including, without limitation, power (electricity) and water furnished to the Premises or used by Tenant during the hours between 7:00 am and 6:00 pm Monday through Friday ("Business Hours". Notwithstanding the foregoing, however, Tenant shall be solely liable for and shall pay for (a) all utilities related to Tenant's telephone, data and communications and (b) all other utility usage during hours

outside of Business Hours. Landlord, at Landlord's sole expense, shall install the necessary metering system and timing device to track utility usage during Business Hours and non-business hours.

17. Condition of Premises: Prior to the commencement of the Term of this lease, Tenant inspected the Premises, and Tenant is fully informed and aware of their condition and state of repair. Tenant hereby accepts the Premises and every part thereof "as is" in their existing condition.
18. Surrender of Premises: Upon the expiration or termination of this lease, Tenant shall peaceably quit and surrender the Premises in good, clean order and condition, ordinary wear and tear excepted, and shall, at its sole cost and expense, remove all its property and waste there from, except as otherwise provided in this lease. Tenant shall, at its sole cost and expense, repair and restore all damage to the Premises caused by Tenant's removal of any equipment, trade fixtures and personal property. Tenant's obligation to observe or perform this obligation hereunder shall survive the expiration or other termination of this lease.
19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. Inspection: Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. Default: Each of the following events shall constitute a default or breach of this lease by Tenant:
- (a) A violation of failure to comply with any term, condition or covenant or provision of this lease;
 - (b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
 - (c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. Taxes and Assessments. Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. Attorney's Fees. In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. Waiver. The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. Notices. All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:
- LANDLORD: _____
- TENANT: Department of Public Health and Social Services
30. Time is of the Essence. Time is of the essence for all provisions of this lease.
31. Binding Effect. Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. Interpretation and Definitions. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. Remedies. Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. Entire Agreement. This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. Governing Law. This lease shall be governed by the laws of Guam.
36. Counterparts. This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 2.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

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 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
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 - (b) **Termination for Convenience:** The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

10. Purpose: Tenant shall use the Premises at all times solely for the purpose of office space. It shall be the obligation of Tenant to obtain any and all licenses and permits necessary for such purpose. The Premises shall be only for the actual use and occupancy by Tenant and/or other agencies of the government of Guam.
11. Assignment/Lease: Tenant shall not assign, sublet or part with possession of any of the Premises without the prior written consent of Landlord which shall not be unreasonably withheld.
12. Alterations:
 - (a) No alteration, addition or improvement to the Premises shall be made by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. Landlord may, without limitation condition its consent upon and may require approval by Landlord of workmanship; approval by Landlord of contractors; and performance and payment bonds if reasonable explanation is provided.
 - (b) Any alteration, addition or improvement made by Tenant after such consent shall be given, and any permanent fixtures installed as a part of the Premises may, at Tenant's sole option, become the property of Landlord upon the expiration or other sooner termination of this lease.
 - (c) Tenant shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Tenant's obligations under this provision shall expire at the end of this lease.
 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
13. Nuisance: Tenant shall not permit on the Premises any unlawful acts, or any condition, act or thing constituting a public or private nuisance.
14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

Landlord shall have the right to temporarily close or restrict access to any of the Land and to make changes including, without limitation, changes in the location of driveways, entrances, exists, parking areas and traffic flow.

In the event that Landlord shall have to temporarily close or restrict access to any part of the premises, Landlord shall give Tenant reasonable notice, and conduct any closure or restriction of access so as to minimize any disruption to Tenant's business. If any closure is deemed by the Tenant to interfere with its generations, the Tenant shall have the right to terminate this agreement without penalty.

15. Holding Over: If Tenant shall remain in possession of the Premises after the expiration of the Term or any Extension Term of this lease, such possession shall be as a month-to-month Tenant. During such month-to-month tenancy, Rent shall be payable monthly under the same terms and conditions set forth in this lease for the payment of Rent, at a monthly rate equal to the Rent rate payable during the Term or last Extended Term of the lease for a maximum of ninety (90) days without written approval by the Landlord.
16. Utilities: Landlord shall be solely liable for and shall pay for, as the same become due, all utilities including, without limitation, power (electricity) and water furnished to the Premises or used by Tenant during the hours between 7:00 am and 6:00 pm Monday through Friday ("Business Hours"). Notwithstanding the foregoing, however, Tenant shall be solely liable for and shall pay for (a) all utilities related to Tenant's telephone, data and communications and (b) all other utility usage during hours

outside of Business Hours. Landlord, at Landlord's sole expense, shall install the necessary metering system and timing device to track utility usage during Business Hours and non-business hours.

17. Condition of Premises: Prior to the commencement of the Term of this lease, Tenant inspected the Premises, and Tenant is fully informed and aware of their condition and state of repair. Tenant hereby accepts the Premises and every part thereof "as is" in their existing condition.
18. Surrender of Premises: Upon the expiration or termination of this lease, Tenant shall peaceably quit and surrender the Premises in good, clean order and condition, ordinary wear and tear excepted, and shall, at its sole cost and expense, remove all its property and waste there from, except as otherwise provided in this lease. Tenant shall, at its sole cost and expense, repair and restore all damage to the Premises caused by Tenant's removal of any equipment, trade fixtures and personal property. Tenant's obligation to observe or perform this obligation hereunder shall survive the expiration or other termination of this lease.
19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. **Inspection:** Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. **Default:** Each of the following events shall constitute a default or breach of this lease by Tenant:
- (a) A violation of failure to comply with any term, condition or covenant or provision of this lease;
 - (b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
 - (c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. **Taxes and Assessments.** Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. **Attorney's Fees.** In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. **Waiver.** The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. **Notices.** All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:
- LANDLORD: _____
- TENANT: Department of Public Health and Social Services
30. **Time is of the Essence.** Time is of the essence for all provisions of this lease.
31. **Binding Effect.** Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. **Interpretation and Definitions.** The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. **Remedies.** Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. **Entire Agreement.** This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. **Governing Law.** This lease shall be governed by the laws of Guam.
36. **Counterparts.** This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 3.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

1. **Premises:** Landlord hereby leases to Tenant, and Tenant leases from Landlord, under the terms, covenants and conditions contained in Invitation for Bid IFB GSA-047-25, and this lease, terms of the IFB including amendments, the Land and the Building (collectively, the "Premises").
2. **Term:** The term of this lease ("Term") shall be for a twelve (12) month period commencing on the date the [Agency] takes possession of this lease (_____), unless sooner terminated or extended. In accordance with the Title 5 of the Guam Code Annotated, §22401, (5 GCA §22401), this lease is at all times subject to appropriation and availability of government funds.
3. **Rent:**
 - (a) Tenant agrees to pay to Landlord a rental fee ("Rent") of _____ (US _____) per square foot of Floor Area x _____ square feet for a total of \$ _____ per month, for the Premises, without deduction, set-off, prior notice or demand, beginning on the lease Commencement Date and continuing on the first day of every month thereafter, during the Term of this lease. The suites occupied and dimensions are as follows:
 - (b) Tenant shall make all payments of Rent to Landlord or to the duly appointed agent or representative of Landlord. The procedure for Tenant's payment of Rent shall be as follows:
 - (i) Landlord will present an invoice for Rent for the Subsequent month on or before the fifteenth (15th) day of the preceding month.
 - (ii) All past due Rent and other payments shall accrue interest at the rate as allowed for by Title 5 of the Guam Code Annotated §22502, otherwise known as the Prompt Payment Act.
 - (iii) In the event the Term of this lease begins or ends on a date that is not the first day of a month, the Rent will be prorated as of that date based upon the number of days in the applicable calendar month.
4. **Option to Extend. (At the "Sole Discretion of the Government").**
 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
 - (b) Tenant's tenancy during any Extension Term shall be upon the same terms, covenants, and conditions as provided in this lease for the initial Term.
5. **Termination:**
 - (a) **Termination for Cause/Default:** If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the government may notify the Contractor in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Procurement Officer, such officer may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the government may procure similar supplies or services in a manner and upon terms deemed appropriate by the government. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
 - (b) **Termination for Convenience:** The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

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11. Assignment/Lease: Tenant shall not assign, sublet or part with possession of any of the Premises without the prior written consent of Landlord which shall not be unreasonably withheld.
12. Alterations:
 - (a) No alteration, addition or improvement to the Premises shall be made by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. Landlord may, without limitation condition its consent upon and may require approval by Landlord of workmanship; approval by Landlord of contractors; and performance and payment bonds if reasonable explanation is provided.
 - (b) Any alteration, addition or improvement made by Tenant after such consent shall be given, and any permanent fixtures installed as a part of the Premises may, at Tenant's sole option, become the property of Landlord upon the expiration or other sooner termination of this lease.
 - (c) Tenant shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Tenant's obligations under this provision shall expire at the end of this lease.
 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
13. Nuisance: Tenant shall not permit on the Premises any unlawful acts, or any condition, act or thing constituting a public or private nuisance.
14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

Landlord shall have the right to temporarily close or restrict access to any of the Land and to make changes including, without limitation, changes in the location of driveways, entrances, exists, parking areas and traffic flow.

In the event that Landlord shall have to temporarily close or restrict access to any part of the premises, Landlord shall give Tenant reasonable notice, and conduct any closure or restriction of access so as to minimize any disruption to Tenant's business. If any closure is deemed by the Tenant to interfere with its generations, the Tenant shall have the right to terminate this agreement without penalty.
15. Holding Over: If Tenant shall remain in possession of the Premises after the expiration of the Term or any Extension Term of this lease, such possession shall be as a month-to-month Tenant. During such month-to-month tenancy, Rent shall be payable monthly under the same terms and conditions set forth in this lease for the payment of Rent, at a monthly rate equal to the Rent rate payable during the Term or last Extended Term of the lease for a maximum of ninety (90) days without written approval by the Landlord.
16. Utilities: Landlord shall be solely liable for and shall pay for, as the same become due, all utilities including, without limitation, power (electricity) and water furnished to the Premises or used by Tenant during the hours between 7:00 am and 6:00 pm Monday through Friday ("Business Hours". Notwithstanding the foregoing, however, Tenant shall be solely liable for and shall pay for (a) all utilities related to Tenant's telephone, data and communications and (b) all other utility usage during hours

outside of Business Hours. Landlord, at Landlord's sole expense, shall install the necessary metering system and timing device to track utility usage during Business Hours and non-business hours.

17. Condition of Premises: Prior to the commencement of the Term of this lease, Tenant inspected the Premises, and Tenant is fully informed and aware of their condition and state of repair. Tenant hereby accepts the Premises and every part thereof "as is" in their existing condition.
18. Surrender of Premises: Upon the expiration or termination of this lease, Tenant shall peaceably quit and surrender the Premises in good, clean order and condition, ordinary wear and tear excepted, and shall, at its sole cost and expense, remove all its property and waste there from, except as otherwise provided in this lease. Tenant shall, at its sole cost and expense, repair and restore all damage to the Premises caused by Tenant's removal of any equipment, trade fixtures and personal property. Tenant's obligation to observe or perform this obligation hereunder shall survive the expiration or other termination of this lease.
19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. Inspection: Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. Default: Each of the following events shall constitute a default or breach of this lease by Tenant:
- (a) A violation of failure to comply with any term, condition or covenant or provision of this lease;
 - (b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
 - (c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. Taxes and Assessments. Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. Attorney's Fees. In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. Waiver. The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. Notices. All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:
- LANDLORD: _____
- TENANT: Department of Public Health and Social Services
30. Time is of the Essence. Time is of the essence for all provisions of this lease.
31. Binding Effect. Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. Interpretation and Definitions. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. Remedies. Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. Entire Agreement. This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. Governing Law. This lease shall be governed by the laws of Guam.
36. Counterparts. This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 4.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

1. **Premises:** Landlord hereby leases to Tenant, and Tenant leases from Landlord, under the terms, covenants and conditions contained in Invitation for Bid IFB GSA-047-25, and this lease, terms of the IFB including amendments, the Land and the Building (collectively, the "Premises").
2. **Term:** The term of this lease ("Term") shall be for a twelve (12) month period commencing on the date the [Agency] takes possession of this lease (_____), unless sooner terminated or extended. In accordance with the Title 5 of the Guam Code Annotated, §22401, (5 GCA §22401), this lease is at all times subject to appropriation and availability of government funds.
3. **Rent:**
 - (a) Tenant agrees to pay to Landlord a rental fee ("Rent") of _____ (US _____) per square foot of Floor Area x _____ square feet for a total of \$_____ per month, for the Premises, without deduction, set-off, prior notice or demand, beginning on the lease Commencement Date and continuing on the first day of every month thereafter, during the Term of this lease. The suites occupied and dimensions are as follows:
 - (b) Tenant shall make all payments of Rent to Landlord or to the duly appointed agent or representative of Landlord. The procedure for Tenant's payment of Rent shall be as follows:
 - (i) Landlord will present an invoice for Rent for the Subsequent month on or before the fifteenth (15th) day of the preceding month.
 - (ii) All past due Rent and other payments shall accrue interest at the rate as allowed for by Title 5 of the Guam Code Annotated §22502, otherwise known as the Prompt Payment Act.
 - (iii) In the event the Term of this lease begins or ends on a date that is not the first day of a month, the Rent will be prorated as of that date based upon the number of days in the applicable calendar month.
4. **Option to Extend. (At the "Sole Discretion of the Government").**
 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
 - (b) Tenant's tenancy during any Extension Term shall be upon the same terms, covenants, and conditions as provided in this lease for the initial Term.
5. **Termination:**
 - (a) **Termination for Cause/Default:** If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the government may notify the Contractor in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Procurement Officer, such officer may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the government may procure similar supplies or services in a manner and upon terms deemed appropriate by the government. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
 - (b) **Termination for Convenience:** The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contract will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

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 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
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14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

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19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. Inspection: Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. Default: Each of the following events shall constitute a default or breach of this lease by Tenant:
- (a) A violation of failure to comply with any term, condition or covenant or provision of this lease;
 - (b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
 - (c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. Taxes and Assessments. Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. Attorney's Fees. In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. Waiver. The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. Notices. All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:

LANDLORD: _____

TENANT: Department of Public Health and Social Services

30. Time is of the Essence. Time is of the essence for all provisions of this lease.
31. Binding Effect. Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. Interpretation and Definitions. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. Remedies. Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. Entire Agreement. This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. Governing Law. This lease shall be governed by the laws of Guam.
36. Counterparts. This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 5.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

1. Premises: Landlord hereby leases to Tenant, and Tenant leases from Landlord, under the terms, covenants and conditions contained in Invitation for Bid IFB GSA-047-25, and this lease, terms of the IFB including amendments, the Land and the Building (collectively, the "Premises").
2. Term: The term of this lease ("Term") shall be for a twelve (12) month period commencing on the date the [Agency] takes possession of this lease (_____), unless sooner terminated or extended. In accordance with the Title 5 of the Guam Code Annotated, §22401, (5 GCA §22401), this lease is at all times subject to appropriation and availability of government funds.
3. Rent:
 - (a) Tenant agrees to pay to Landlord a rental fee ("Rent") of _____ (US _____) per square foot of Floor Area x _____ square feet for a total of \$_____ per month, for the Premises, without deduction, set-off, prior notice or demand, beginning on the lease Commencement Date and continuing on the first day of every month thereafter, during the Term of this lease. The suites occupied and dimensions are as follows:
 - (b) Tenant shall make all payments of Rent to Landlord or to the duly appointed agent or representative of Landlord. The procedure for Tenant's payment of Rent shall be as follows:
 - (i) Landlord will present an invoice for Rent for the Subsequent month on or before the fifteenth (15th) day of the preceding month.
 - (ii) All past due Rent and other payments shall accrue interest at the rate as allowed for by Title 5 of the Guam Code Annotated §22502, otherwise known as the Prompt Payment Act.
 - (iii) In the event the Term of this lease begins or ends on a date that is not the first day of a month, the Rent will be prorated as of that date based upon the number of days in the applicable calendar month.
4. Option to Extend. (At the "Sole Discretion of the Government").
 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
 - (b) Tenant's tenancy during any Extension Term shall be upon the same terms, covenants, and conditions as provided in this lease for the initial Term.
5. Termination:
 - (a) Termination for Cause/Default: If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the government may notify the Contractor in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Procurement Officer, such officer may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the government may procure similar supplies or services in a manner and upon terms deemed appropriate by the government. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
 - (b) Termination for Convenience: The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contract will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonably obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

10. Purpose: Tenant shall use the Premises at all times solely for the purpose of office space. It shall be the obligation of Tenant to obtain any and all licenses and permits necessary for such purpose. The Premises shall be only for the actual use and occupancy by Tenant and/or other agencies of the government of Guam.
11. Assignment/Lease: Tenant shall not assign, sublet or part with possession of any of the Premises without the prior written consent of Landlord which shall not be unreasonably withheld.
12. Alterations:
 - (a) No alteration, addition or improvement to the Premises shall be made by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. Landlord may, without limitation condition its consent upon and may require approval by Landlord of workmanship; approval by Landlord of contractors; and performance and payment bonds if reasonable explanation is provided.
 - (b) Any alteration, addition or improvement made by Tenant after such consent shall be given, and any permanent fixtures installed as a part of the Premises may, at Tenant's sole option, become the property of Landlord upon the expiration or other sooner termination of this lease.
 - (c) Tenant shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Tenant's obligations under this provision shall expire at the end of this lease.
 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
13. Nuisance: Tenant shall not permit on the Premises any unlawful acts, or any condition, act or thing constituting a public or private nuisance.
14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

Landlord shall have the right to temporarily close or restrict access to any of the Land and to make changes including, without limitation, changes in the location of driveways, entrances, exists, parking areas and traffic flow.

In the event that Landlord shall have to temporarily close or restrict access to any part of the premises, Landlord shall give Tenant reasonable notice, and conduct any closure or restriction of access so as to minimize any disruption to Tenant's business. If any closure is deemed by the Tenant to interfere with its generations, the Tenant shall have the right to terminate this agreement without penalty.
15. Holding Over: If Tenant shall remain in possession of the Premises after the expiration of the Term or any Extension Term of this lease, such possession shall be as a month-to-month Tenant. During such month-to-month tenancy, Rent shall be payable monthly under the same terms and conditions set forth in this lease for the payment of Rent, at a monthly rate equal to the Rent rate payable during the Term or last Extended Term of the lease for a maximum of ninety (90) days without written approval by the Landlord.
16. Utilities: Landlord shall be solely liable for and shall pay for, as the same become due, all utilities including, without limitation, power (electricity) and water furnished to the Premises or used by Tenant during the hours between 7:00 am and 6:00 pm Monday through Friday ("Business Hours". Notwithstanding the foregoing, however, Tenant shall be solely liable for and shall pay for (a) all utilities related to Tenant's telephone, data and communications and (b) all other utility usage during hours

outside of Business Hours. Landlord, at Landlord's sole expense, shall install the necessary metering system and timing device to track utility usage during Business Hours and non-business hours.

17. Condition of Premises: Prior to the commencement of the Term of this lease, Tenant inspected the Premises, and Tenant is fully informed and aware of their condition and state of repair. Tenant hereby accepts the Premises and every part thereof "as is" in their existing condition.
18. Surrender of Premises: Upon the expiration or termination of this lease, Tenant shall peaceably quit and surrender the Premises in good, clean order and condition, ordinary wear and tear excepted, and shall, at its sole cost and expense, remove all its property and waste there from, except as otherwise provided in this lease. Tenant shall, at its sole cost and expense, repair and restore all damage to the Premises caused by Tenant's removal of any equipment, trade fixtures and personal property. Tenant's obligation to observe or perform this obligation hereunder shall survive the expiration or other termination of this lease.
19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. Inspection: Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. Default: Each of the following events shall constitute a default or breach of this lease by Tenant:
- (a) A violation of failure to comply with any term, condition or covenant or provision of this lease;
 - (b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;
 - (c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. Taxes and Assessments. Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. Attorney's Fees. In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. Waiver. The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. Notices. All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:
- LANDLORD: _____
- TENANT: Department of Public Health and Social Services
30. Time is of the Essence. Time is of the essence for all provisions of this lease.
31. Binding Effect. Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. Interpretation and Definitions. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. Remedies. Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. Entire Agreement. This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. Governing Law. This lease shall be governed by the laws of Guam.
36. Counterparts. This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.

Lease Agreement Terms and Conditions

IFB GSA-047-25, Item No. 6.1

Contract Terms required in IFB GSA-047-25

Landlord desires to lease the Land and the Building to Tenant upon the terms and conditions set forth herein, and Tenant desires to lease such Land and Building from Landlord upon the terms and conditions set forth herein.

In consideration of the premises and the terms, covenants, and conditions contained herein, Landlord and Tenant agree as follows.

1. **Premises:** Landlord hereby leases to Tenant, and Tenant leases from Landlord, under the terms, covenants and conditions contained in Invitation for Bid IFB GSA-047-25, and this lease, terms of the IFB including amendments, the Land and the Building (collectively, the "Premises").
2. **Term:** The term of this lease ("Term") shall be for a twelve (12) month period commencing on the date the [Agency] takes possession of this lease (_____), unless sooner terminated or extended. In accordance with the Title 5 of the Guam Code Annotated, §22401, (5 GCA §22401), this lease is at all times subject to appropriation and availability of government funds.
3. **Rent:**
 - (a) Tenant agrees to pay to Landlord a rental fee ("Rent") of _____ (US _____) per square foot of Floor Area x _____ square feet for a total of \$_____ per month, for the Premises, without deduction, set-off, prior notice or demand, beginning on the lease Commencement Date and continuing on the first day of every month thereafter, during the Term of this lease. The suites occupied and dimensions are as follows:
 - (b) Tenant shall make all payments of Rent to Landlord or to the duly appointed agent or representative of Landlord. The procedure for Tenant's payment of Rent shall be as follows:
 - (i) Landlord will present an invoice for Rent for the Subsequent month on or before the fifteenth (15th) day of the preceding month.
 - (ii) All past due Rent and other payments shall accrue interest at the rate as allowed for by Title 5 of the Guam Code Annotated §22502, otherwise known as the Prompt Payment Act.
 - (iii) In the event the Term of this lease begins or ends on a date that is not the first day of a month, the Rent will be prorated as of that date based upon the number of days in the applicable calendar month.
4. **Option to Extend. (At the "Sole Discretion of the Government").**
 - (a) Provided Tenant is not in default under this lease, Tenant may extend the term of this lease, on an annual basis, for up to three (3) years upon availability of funds with no change in monthly rate throughout the duration of the lease term. (each, an "Extension Term"), for one (1) year periods. Tenant shall give Landlord written notice of its intent not to extend the Term or Extension Term, as applicable, at least thirty (30) days prior to the expiration of the prior Term or Extension Term, as applicable.
 - (b) Tenant's tenancy during any Extension Term shall be upon the same terms, covenants, and conditions as provided in this lease for the initial Term.
5. **Termination:**
 - (a) **Termination for Cause/Default:** If the Contractor refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the government may notify the Contractor in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Procurement Officer, such officer may terminate the Contractor's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the government may procure similar supplies or services in a manner and upon terms deemed appropriate by the government. The Contractor shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
 - (b) **Termination for Convenience:** The government, when the interests of the territory so required, terminate this Contract in

whole or in part, for the convenience of the territory. The government shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contract will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The government may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the territory. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as necessary to do so.

The Contractor shall submit a termination claim specifying the amounts due because of the Termination for Convenience together with cost or pricing data to the extent required by 2 GAR §3118. If the Contractor fails to file a termination claim within one year from the effective date of termination, the government may pay the Contractor, if at all, an amount set in accordance with this section. The government and the Contractor may agree to a settlement provided the Contractor has filed a termination claim as required herein and the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the territory and the contract price of the work not terminated. Absent agreement of a settlement, the government shall pay the Contractor the following amounts: with respect to all contract work performed prior to the effective date of the termination, the total, without duplication of any items, of: (a) the cost of such work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amount paid or to be paid for completed portions of such work; provided that if it appears that the Contractor would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss; (b) cost of settling and paying claims arising out of the termination of subcontracts or orders pursuant to this clause. These costs must not include costs paid in accordance with subsection (a) above; (c) the reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder. The total sum to be paid the Contractor under this subsection shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the number of payments otherwise made, the proceeds of any sales of supplies or materials under this section, and the contract price of work not terminated.

6. **Mandatory Disputes Resolution Clause:** In the event of a conflict between this "Mandatory Disputes Resolution Clause" and any other terms in this contract, it is the intent of the government of Guam and the contractor that the terms of this clause are to be given precedence.

(1) **Disputes – Contractual Controversies.** The government of Guam and the contractor agree to attempt resolution of all controversies which arise under, or are by virtue of, this contract through mutual agreement. If the controversy is not resolved by mutual agreement, then the contractor shall request the head of the purchasing agency, or their designee, in writing to issue a final decision within sixty days after receipt of the written request in keeping with 5 GCA § 5427(c). The head of the purchasing agency or their designee shall immediately furnish a copy of the decision to the contractor, by certified mail with a return receipt requested, or by any other method that provides evidence of receipt.

(2) **Absence of a Written Decision within Sixty Days.** If the head of the purchasing agency, or their designee does not issue a written decision within sixty days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed as though the head of the purchasing agency, or their designee had issued a decision adverse to the contractor.

(3) **Appeals to the Office of Public Accountability.** The head of the purchasing agency, or their designee's decision shall be final and conclusive, unless fraudulent or unless the contractor appeals the decision administratively to the Public Auditor in accordance with 5 GCA § 5706.

(4) **Disputes – Money Owed To or By the Government of Guam.** This subsection applies to appeals of the government of Guam's decision on a dispute. For money owed by or to the government of Guam under this contract, the contractor shall appeal the decision in accordance with the "Governments Claims Act", 5 GCA § 6101 et. Seq., by initially filing a claim with the Office of the Attorney General no later than eighteen months after the decision is rendered by the government of Guam or from the date when a decision should have been rendered. For all other claims by or against the government of Guam arising under this contract, the Office of the Public Auditor has jurisdiction over the appeal from the decision of the government of Guam. Appeals to the Office of the Public Auditor must be made within sixty days of government of Guam's decision or from the date the decision should have been made.

(5) **Exhaustion of Administrative Remedies.** The contractor shall exhaust all administrative remedies before filing an action in the Superior Court of Guam in accordance with applicable laws.

(6) Performance of Contract Pending Final Resolution by the Court. The contractor shall comply with the government of Guam's decision and proceed diligently with performance of this contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this contract, except where the contractor claims a material breach of this contract by the government of Guam. However, if the head of the purchasing agency determines in writing that continuation of services under this contract is essential to the public's health or safety, then the contractor shall proceed diligently with performance of the contract notwithstanding any claim of material breach by the government of Guam.

7. Changes Clause:

(1) Change Order. By a written order, at any time, and without notice to surety, the Chief Procurement Officer or the head of a Purchasing Agency may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

(A) Drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the territory in accordance therewith;

(B) method of shipment or packing; or

(C) place of delivery.

(2) Adjustments of Price or Time for Performance. If any such change order increases or decreases the contractor's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the territory promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written change order under Paragraph (1) (Change Order) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the territory is prejudiced by the delay in notification.

(4) Claims Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

(5) Other Claims not Barred. In the absence of such a change order, nothing in this clause shall be deemed to restrict the contractor's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled, "Claims Based on a Procurement Officer's Actions or Omissions, Notice of Claim Clause", or for breach of contract."

8. Stop Work Order:

(1) Order to Stop Work. The Procurement Officer may, by written order to the contractor, at any time, and without notice to any surety, require the contractor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the contractor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the contractor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Procurement Officer shall either:

(i) cancel the stop work order; or

(ii) terminate the work covered by such order as provided in the "Termination for Default Clause" or the "Termination for Convenience Clause" of this contract.

9. Liquidated Damages: When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's

delay or non-performance is excused under Paragraph 15 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not be due the territory. The contractor remains liable for damages caused other than by delay. 2 GAR, Div. 4 §6101(d).

10. Purpose: Tenant shall use the Premises at all times solely for the purpose of office space. It shall be the obligation of Tenant to obtain any and all licenses and permits necessary for such purpose. The Premises shall be only for the actual use and occupancy by Tenant and/or other agencies of the government of Guam.
11. Assignment/Lease: Tenant shall not assign, sublet or part with possession of any of the Premises without the prior written consent of Landlord which shall not be unreasonably withheld.
12. Alterations:
 - (a) No alteration, addition or improvement to the Premises shall be made by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. Landlord may, without limitation condition its consent upon and may require approval by Landlord of workmanship; approval by Landlord of contractors; and performance and payment bonds if reasonable explanation is provided.
 - (b) Any alteration, addition or improvement made by Tenant after such consent shall be given, and any permanent fixtures installed as a part of the Premises may, at Tenant's sole option, become the property of Landlord upon the expiration or other sooner termination of this lease.
 - (c) Tenant shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Tenant's obligations under this provision shall expire at the end of this lease.
 - d) Landlord's consent to any Tenant alterations refers only to the conformity of such alterations to the general architectural plan for the Premises. Such alterations are not reviewed or approved for architectural, structural or engineering design, and Landlord, by reviewing and approving such alterations, assumes no liability or responsibility thereof or for any defect in any alteration constructed by Tenant or for any claims, losses, liabilities, injuries to property or persons (including, without limitation, death) resulting from Tenant's compliance with such plans or specifications or noncompliance therewith. Tenant's obligations under this provision shall expire on the expiration or termination of this lease.
13. Nuisance: Tenant shall not permit on the Premises any unlawful acts, or any condition, act or thing constituting a public or private nuisance.
14. Maintenance and Repairs: Landlord shall, at its sole cost and expense, keep and maintain the Premises and appurtenances and every part thereof in good and sanitary order, condition and repair. All normal maintenance of the Premises including, without limitation, the Building, parking area, driveways, entrances and exits, will be carried out by Landlord.

Notwithstanding the foregoing, however, all damage or injury to the Building, or its fixtures, glass, appurtenances, electric wiring, and equipment caused by the abuse, carelessness, omission, neglect, improper conduct, or other cause of Tenant, its servants, employees, agents, visitors, or licenses, shall be repaired, restored, or replaced promptly by Tenant to the satisfaction of Landlord, at Tenant's sole cost and expense.

Landlord shall have the right to temporarily close or restrict access to any of the Land and to make changes including, without limitation, changes in the location of driveways, entrances, exists, parking areas and traffic flow.

In the event that Landlord shall have to temporarily close or restrict access to any part of the premises, Landlord shall give Tenant reasonable notice, and conduct any closure or restriction of access so as to minimize any disruption to Tenant's business. If any closure is deemed by the Tenant to interfere with its generations, the Tenant shall have the right to terminate this agreement without penalty.
15. Holding Over: If Tenant shall remain in possession of the Premises after the expiration of the Term or any Extension Term of this lease, such possession shall be as a month-to-month Tenant. During such month-to-month tenancy, Rent shall be payable monthly under the same terms and conditions set forth in this lease for the payment of Rent, at a monthly rate equal to the Rent rate payable during the Term or last Extended Term of the lease for a maximum of ninety (90) days without written approval by the Landlord.
16. Utilities: Landlord shall be solely liable for and shall pay for, as the same become due, all utilities including, without limitation, power (electricity) and water furnished to the Premises or used by Tenant during the hours between 7:00 am and 6:00 pm Monday through Friday ("Business Hours". Notwithstanding the foregoing, however, Tenant shall be solely liable for and shall pay for (a) all utilities related to Tenant's telephone, data and communications and (b) all other utility usage during hours

outside of Business Hours. Landlord, at Landlord's sole expense, shall install the necessary metering system and timing device to track utility usage during Business Hours and non-business hours.

17. Condition of Premises: Prior to the commencement of the Term of this lease, Tenant inspected the Premises, and Tenant is fully informed and aware of their condition and state of repair. Tenant hereby accepts the Premises and every part thereof "as is" in their existing condition.
18. Surrender of Premises: Upon the expiration or termination of this lease, Tenant shall peaceably quit and surrender the Premises in good, clean order and condition, ordinary wear and tear excepted, and shall, at its sole cost and expense, remove all its property and waste there from, except as otherwise provided in this lease. Tenant shall, at its sole cost and expense, repair and restore all damage to the Premises caused by Tenant's removal of any equipment, trade fixtures and personal property. Tenant's obligation to observe or perform this obligation hereunder shall survive the expiration or other termination of this lease.
19. Liens: Tenant shall at all times keep the Premises and any portion thereof free and clear of all and any liens and encumbrances, including mechanics' and material men's liens.
20. Casualty Loss:
 - (a) If the Premises shall be destroyed by fire or other casualty without the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, the damage shall be repaired by Landlord, provided such repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities, and provided further, such destruction results from a cause within the coverage of insurance policies Landlord shall have in effect covering the Premises and the proceeds from such insurance policies are made available to Landlord to make such repairs. Such destruction shall neither annul or void this lease, except that Tenant shall be entitled to a proportionate reduction of Rent while the repairs are being made, any such proportionate Rent reduction being based on the part of the Premises which has been destroyed and is not usable by Tenant.

However, if such destruction is due to the fault or neglect of Tenant, its servants, employees, agents, visitors, or licensees, without prejudice to any other rights and remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damage may be repaired by Landlord, but in such case there shall not be apportionment or abatement of Rent. If the repairs cannot be made in the specified time or the other conditions set forth above to making said repairs have not been met, Landlord may, at Landlord's sole option, make the repairs within a reasonable time, this lease continuing in full force and effect and the Rent shall be proportionately abated except as otherwise provided herein above. In the event that Landlord does not elect to make said repairs, or the repairs cannot be made within sixty (60) days under current laws and regulations of the applicable governmental authorities, this lease may be terminated at the option of either party upon written notice to the other.

Notwithstanding anything to the contrary, if the Premises are partially or totally destroyed and damaged during the last six (6) months of the this lease, Landlord may, at its sole option, cancel and terminate the is lease as of the date of the destruction or casualty by giving written notice to Tenant of its election to terminate this lease. In the event Landlord gives the foregoing notice. Tenant may continue in occupancy of so much of the Premises as are safely habitable until the end of the current Term or Extension Term, in which case Rent shall be prorated based upon percentage of the Premises which Tenant continues to occupy.
 - (b) Landlord shall be required to carry insurance on Tenant's property and shall be obligated to repair any damage thereto or replace the same, except as provided in this agreement.
21. Eminent Domain: In the event shall all or a substantial part of the Premises shall be taken or condemned for a public or quasi-public use this lease shall terminate.
22. Security: Landlord shall be solely responsible for providing security alarm systems and electrical locks and codes on main and exit doorways.
23. Subordination:
 - (a) This lease is subject and subordinate to all mortgages which may now or hereafter affect the Land and the Building, and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause shall be self-operative and no further instrument of subordination shall be necessary; however, to confirm such subordination, Tenant shall promptly execute and deliver to Landlord or its designee any subordination certificate or document that may request.
 - (c) Within twenty (20) days after request therefore by Landlord, Tenant agrees to deliver in recordable form a certification or other document to any proposed mortgagee or assignee, certifying (if such be the case) that this lease is in full force

and effect and that there are no defenses or offsets thereto, or stating "those claimed by Tenant. Failure of Tenant to respond within said time twenty (20) days shall constitute a binding admission by Tenant that this lease is in full force and effect.

24. Inspection: Upon reasonable notice and request, Tenant shall permit their agents or representatives to enter the Premises to examine and inspect the same, during normal business hours.
25. Default: Each of the following events shall constitute a default or breach of this lease by Tenant:
(a) A violation of failure to comply with any term, condition or covenant or provision of this lease;

(b) If Tenant shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors;

(c) If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Tenant, or if a receiver or trustee shall be appointed for all or substantially all of the property of Tenant, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
26. Taxes and Assessments. Tenant shall pay any real estate taxes and assessments attributable to the Premises.
27. Attorney's Fees. In those instances where the Government Claims Act applies to a breach of this lease by the Tenant; attorney's fees and costs of the person or entity claiming against the Tenant are not recoverable.
28. Waiver. The waiver by Landlord of any default of any term, covenant, condition or provision of this lease shall not be deemed to be a waiver of any subsequent breach of the same, and shall not be deemed the waiver of any other term, covenant, condition or provision of this lease.
29. Notices. All notices to be given to the parties hereto, may be given in writing delivered to the other party at its principal place of business, in person, or by depositing the notice in the mail, postage prepaid and addressed to the appropriate party as follows:

LANDLORD: _____

TENANT: Department of Public Health and Social Services
30. Time is of the Essence. Time is of the essence for all provisions of this lease.
31. Binding Effect. Except as otherwise provided herein, this lease shall be binding upon and inure to the benefit of Landlord, Tenant and their respective heirs, successors and permitted assigns.
32. Interpretation and Definitions. The language in all parts of this lease shall in all cases be simply construed according to its fair meaning and not strictly for or against Landlord or Tenant. Captions of articles, sections, and paragraphs of this lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this lease.
33. Remedies. Any dispute arising under or out of this lease is subject to the provisions of Chapter 9 (legal and contractual remedies) of the Guam procurement regulations.
34. Entire Agreement. This lease, including incorporating by reference the IFB and amendments, contains the entire agreement of the parties relating to the Premises, and no prior agreement or understanding pertaining to the Premises and Tenant's occupancy of the same shall be valid or of any force or effect, and this lease cannot be modified or changed except in writing, signed by the parties hereto.
35. Governing Law. This lease shall be governed by the laws of Guam.
36. Counterparts. This lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This lease may be executed by all parties on separate dates, where the latest signing date would signify the commencement of this lease agreement.