

## CONTRACTUAL AGREEMENT

For

INVITATION TO NEGOTIATE (ITN) #: 1224LCSA  
ENTITLED: BEAUTY CARE SERVICES OPERATIONS

Between

UNIVERSITY OF CENTRAL FLORIDA AND A-1 HAIR STUDIO

This Agreement is entered into and effective as of the date of the last signature hereto, by and between the University of Central Florida, on behalf of its Board of Trustees ("University" or "UCF"), and A-1 Hair STUDIO ("Lessee"). The parties agree as follows:

1. **ACKNOWLEDGMENT.** Lessee acknowledges that:
  - A. The University is a public entity of the State of Florida;
  - B. The University is exempt from federal and Florida taxes;
  - C. UCF's liability is regulated by Florida law. Except for its employees acting within the course and scope of their employment, UCF shall not indemnify any entity or person and, then, such indemnification is limited to the express terms of §768.28, Florida Statutes. The State of Florida is self-insured to the extent of its liability under law and any liability in excess of that specified in statute may be awarded only through special legislative action. Accordingly, UCF's liability and indemnification obligations in this Agreement shall be effective only to the extent expressly required by §768.28, Florida Statutes. Any provision requiring UCF to provide insurance coverage other than the State of Florida self-insurance shall not be effective.
  - D. The terms and conditions set forth in ITN 1224LCSA and Lessee's response are incorporated herein for all purposes as Attachment "A".
2. **DESCRIPTION OF SERVICES.** The University does hereby demise and sub-lease a portion of its campus, as described in the Master Lease with the State of Florida, and lease a portion of the improvements on UCF's campus described herein unto the Lessee. Lessee hereby takes and rents from the University, space located in the John T. Washington Center, Building No. 26, unit 110, which consists of approximately 554 square feet ("Leased Premises") for the sole purposes of providing beauty care services as described in the ITN and Lessee's response. UCF represents and warrants to the Lessee that the University has the lawful right to enter into this Lease Agreement for the purposes set forth herein. UCF further warrants that the Lessee may use the Leased Premises during the entire term hereof solely for the purposes set forth therein.
3. **PERIOD OF LEASE.** The term of this Agreement shall commence on August 1, 2013, and shall end on July 31, 2018. The University may renew/extend this Agreement, as mutually agreed to by both parties, with five (5) one-year renewal options. No renewal period will exceed the initial term nor will cumulative renewals exceed 10 years.

The University reserves the right to relocate Lessee's location to comparable space in the John T. Washington Center should the current occupied space be required by the needs of the University's programs. The University shall give advance notice of relocation and any expenses associated with relocation shall be borne by the University.

4. **RENT.** The Lessee agrees to pay the University the commission in the amount of 17% of Gross Sales and is inclusive of utilities (water and electric) and common area maintenance. Phone, cable, internet and other services will be the responsibility of the Lessee. Payments to the University are subject to applicable sales taxes and are due on or before the fifteenth day of each month.
  - A. Payments to UCF should be sent to the Business Services department.
  - B. Lessee must submit a monthly summary report to support payments for service provided. The Lessee shall maintain industry accounting practices, and shall keep in a safe place all such financial records and statements pertaining to the operations at the University for a period of three (3) years.
  - C. Should this Agreement terminate prior to the end of the then current term, the rent will be prorated to the date of termination and UCF shall immediately refund to Lessee all rent then prepaid and unearned.
  - D. Remit to the following address:  
**UCF Business Services**  
**PO BOX 160055**  
**Orlando, FL 32816**
5. **VENDOR OMBUDSMAN STATEMENT.** The University has established a Vendor Ombudsman who acts as an advocate for vendors who may be experiencing problems in obtaining timely payment(s). The Vendor Ombudsman may be contacted at (407) 882-1000.
6. **ANNUAL APPROPRIATION.** The University's performance and obligations under this Agreement are subject to and contingent upon annual appropriations by the Florida Legislature and other funding sources.
7. **ASSIGNMENTS, SUBLETTING OR TRANSFERS.** Under no circumstances shall the Lessee assign, sublet, or in any way transfer a portion of its leasehold interest, or assign to a third party any right or obligation of Lessee pursuant to this Agreement without prior written consent of the University, except that Lessee is permitted to rent individual salon stations to licensed independent contractors as part of Lessee's performance under this contract to provide beauty care services. If Lessee is, or during the term of this Agreement becomes, an individual on the payroll of the State of Florida, Lessee represents that he or she has complied with all applicable provisions in the Florida Statutes and Florida Administrative Code regarding outside or dual employment and compensation.

- 8. CANCELLATION/TERMINATION.** This Agreement may be unilaterally cancelled by UCF for refusal by the Lessee to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the Lessee in conjunction with this Agreement. UCF also may terminate this Agreement without cause and without penalty to UCF, on thirty (30) days' advanced written notice to the Lessee. The parties to this Agreement may terminate the Agreement at any time by mutually consenting in writing. Either party may terminate this Agreement immediately for breach by the other that remains substantially uncured after thirty (30) days' advanced written notice to the breaching party, which notice describes the breach in detail sufficient to permit cure by the breaching party. Rent shall be prorated until the effective date of cancellation and UCF shall immediately refund to Lessee all rent then prepaid and unearned. Should this agreement be cancelled, upon the effective date of cancellation, neither party hereto shall have any liability, either for damages, additional rents, fees or other charges, or otherwise, to the other based upon this Agreement, except as to liabilities from incidents or circumstances which occurred, accrued, or existed prior to such rent to Lessee.
- 9. COMPLIANCE.** The parties shall at all times comply with all applicable ordinances, laws, rules and regulations of local, state and federal governments, or any political subdivision or agency, or authority or commission thereof, which may have jurisdiction to pass laws, ordinances, or make and enforce rules and regulations with respect to the parties.
- 10. EXPORT CONTROL.** The parties shall comply with all applicable U.S. export control laws and regulations, including but not limited to the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through 130, the Export Administration Regulations (EAR), 15 CFR Parts 730 through 799 and/or other restrictions imposed by the Treasury Department's Office of Foreign Asset Controls (OFAC), in the performance of this Agreement. The parties agree that no technology, related data or information will be exchanged or disseminated under this Agreement nor any collaborations conducted pursuant to this Agreement, which are export controlled pursuant to the export control laws of the United States, including the EAR and the ITAR and any other applicable regulations. The Parties agree that the Lessee will not provide the University with any ITAR or EAR restricted technology and/or related data, and that any ITAR or EAR restricted technologies and/or data produced in furtherance of this Agreement will be in the exclusive possession of the Lessee and at no time will any export controlled technologies, related data, or information be intentionally or inadvertently transferred to the University, its facilities, labs, staff, researchers, employees, officers, agents, servants or students in the performance of this Agreement. If the Lessee wishes to disclose export controlled technology or technical data to the University, the Lessee will, prior to disclosing any information, technical data or source code that is subject to export controls under federal law, notify the University in writing that the material is export controlled and shall identify the controls that apply. The University shall have the right to decline or limit (a) the receipt of such information, and (b) any task requiring receipt of such information. In the event the Lessee sends any such technical data or product that is subject to export control, without notice of the applicability of such export control, the

University has the right to immediately terminate this Agreement. The Lessee understands and agrees that to the extent the Lessee's personnel have access to work or materials subject to U.S. export controls while on University property, such personnel will meet all federal export control regulatory requirements or have the appropriate U. S. government approval.

11. **CONFLICTS OF INTEREST.** Acceptance of this Agreement shall certify that Lessee is aware of the requirements of Chapter 112, Florida Statutes and in compliance with the requirements of Chapter 112, Florida Statutes and other laws and regulations concerning conflicts of interests in dealing with entities of the State of Florida. Lessee certifies that its directors and/or principal officers are not employed and/or affiliated with the University unless a current Conflict of Interest (Report of Outside Activity/Employment) form has been completed, executed by such director or officer and approved in accordance with applicable University policies or rules. Violation of this section by Lessee shall be grounds for cancellation of this Agreement.
12. **EMPLOYMENT OF ALIENS.** Lessee's employment of unauthorized aliens, if any, shall be considered a violation of §§274(e) of the Immigration and Nationality Act. If the Lessee knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of the Agreement by the University.
13. **FORCE MAJEURE.**
  - A. No default, delay or failure to perform on the part of UCF shall be considered a default, delay or failure to perform otherwise chargeable, hereunder, if such default, delay or failure to perform is due to causes beyond UCF's reasonable control including, but not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, war, embargoes, fire, earthquake, acts of God, default of common carrier. In the event of such default, delay or failure to perform due to causes beyond UCF's reasonable control, any dates or times by which UCF is otherwise scheduled to perform shall be extended automatically for a period of time equal in duration to the time lost by reason of the cause beyond the reasonable control of UCF.
  - B. Lessee shall not be held responsible for any delay resulting from a cause beyond its control. Any such delay shall not be deemed a breach of, or default in, the performance of this Agreement. Time limit provisions contained in this Agreement shall be extended for the same period of time lost by any such cause. Rent shall also be abated for the same period of time operations are interrupted by any such cause. Causes in this provision include, but are not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, war, embargoes, fire, earthquake, acts of God, and default of common carrier.
14. **GOVERNING LAW AND VENUE.** This Agreement and any attachments and addenda hereto are subject to and governed by Florida law. Venue for any action arising

hereunder shall be in Orange County, Florida. The University is entitled to the benefits of sovereign immunity, including immunities from taxation.

**15. HEADINGS.** Headings have been included in this Agreement for convenience only and shall not affect the interpretation of any terms found herein.

**16. INDEMNIFICATION.**

**A.** Lessee shall hold the University and the UCF Board of Trustees and the University's officers, employees, agents and/or servants harmless and indemnify each of them against any and all liabilities, actions, damages, suits, proceedings, and judgments from claims arising or resulting from the acts or omissions of Lessee, its employees, its contractors, its agents or of others under Lessee's control and supervision. If any part of a delivery or service to the University pursuant to this Agreement is protected by any patent, copyright, trademark, other intellectual property right or other right, Lessee also shall indemnify and hold harmless the University and the UCF Board of Trustees and the University's officers, employees, agents and/or servants from and against any and all liabilities, actions, damages, suits, proceedings and judgments from claims instituted or recovered against the University by any person or persons whomsoever on account of the University's use or sale of such article in violation of rights under such patent, copyright, trademark, other intellectual property right or other right.

**B.** To the extent expressly authorized by the laws and Constitution of the State of Florida, UCF shall hold the Lessee, its officers, employees and agents harmless from and indemnify each of them against any and all liabilities, actions damages, suits, proceedings and judgments from claims arising or resulting from the acts or omissions of University or the acts or omission of others under UCF's supervision and control.

**17. INDEPENDENT CONTRACTOR.** Each of the parties is an independent contractor and nothing contained herein shall constitute or designate any of the employees or agents of one party as employees or agents of the other party.

**18. NO JOINT VENTURE.** Nothing contained in this Agreement shall be construed to create a joint venture, partnership, or other like relationship between the parties.

**19. LEASED EQUIPMENT.** The risk of loss or damage to leased equipment, goods or property shall not transfer to the University except as provided in §680.219, Florida Statutes. Any security interest in the leased equipment, goods or property granted to Lessee contrary to AGO 79-72 and AGO 80-9 is null and void. Limitation of remedies provisions, which are unconscionable under applicable Florida law, are void.

**20. MATERIAL SAFETY DATA SHEET (MSDS).** In compliance with Florida Statutes, Ch. 442, a Material Safety Data Sheet (MSDS) must accompany any applicable item delivered under this Agreement.

21. **NON-PERFORMANCE.** Neither party shall be required to perform under this Agreement or any attachments or addenda hereto executed by the University's duly authorized signatory when such performance is delayed or prevented by any cause beyond the party's or parties' control. This Agreement and any attachments and addenda hereto executed by the University's duly authorized signatory may not be altered, amended or assigned without the prior written agreement of all the parties.
22. **NOTICES.** Any written notices or demands required under this Agreement between the parties shall either be personally served or sent by certified mail to the following addresses, or other addresses of which the parties shall have notified each other.

For UCF:  
**Director of Business Services**  
**PO BOX 160055**  
**Orlando, FL 32816**

For Lessee:  
**Alfreda Cotton**  
**4667 Staghorn Dr. Unit 400**  
**Orlando, FL 32808**

23. **PARKING.** The Lessee shall ensure that all vehicles parked on campus for purposes relating to work resulting from this Agreement shall have proper parking permits. This applies to all personal vehicles and all marked and unmarked company vehicles that will be on any University campus for one (1) day or more or on a recurring basis. All such vehicles must be registered with University's Parking Services Department, and parking permits must be purchased by the Lessee. Lessee's vehicle(s) shall observe all parking rules and regulations. Failure to obtain parking permits, properly display them, and otherwise comply with all of University's parking rules and regulations could result in the issuance of a parking ticket and/or towing at the expense of Lessee or Lessee's employees. UCF's Parking Services Department can be contacted at (407) 823-5812 for additional information pertaining to parking and parking fees/rates.
24. **PUBLIC RECORDS.** The Agreement may be canceled unilaterally by the University for refusal by the Lessee to allow public access to all papers, documents, letters or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the Lessee in conjunction with the Agreement.
25. **RECORDS.** The Lessee agrees to keep and maintain, separate and independent records, in accordance with generally accepted accounting principles, devoted exclusively to its obligations and activities pursuant to this Agreement. Such records (including books, ledgers, journals, and accounts) shall contain all entries reflecting the business operations under this Agreement. University or its authorized agent shall have the right to audit and inspect such records from time to time during the term of this Agreement, upon reasonable notice to the Lessee.
26. **TAXES.** The University shall not pay any intangible taxes, property taxes or sales taxes. Lessee agrees to pay all licenses, permits and taxes on its business and personal property located on the Leased Premises.

27. **VIETNAM ERA VETERANS READJUSTMENT ACT OF 1974.** The University and the Lessee must comply with all applicable provisions of: (i) §402:60-250.4 of the Vietnam Era Veterans Readjustment Act of 1974; (ii) §503:60-741.4 of the Rehabilitation Act of 1973; (iii) Executive Order 11246, as amended; and, (iv) the rules, regulations, and relevant orders of the U.S. Secretary of Labor.
28. **SEVERABILITY.** This Agreement is severable such that should any provision of this Agreement be or become invalid or unenforceable, the remaining provisions shall continue to be fully enforceable.
29. **WAIVER/REMEDIES.** No failure or delay by a party hereto to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent to a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. No waiver of any breach hereunder shall affect or alter the remaining terms of this Agreement, but each and every term of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. The remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by law or in equity.
30. **LESSEE INSURANCE.**
- A. UCF shall maintain fire and extended coverage insurance on the Leased Premises. In the event the Leased Premises is partially or totally destroyed by fire or otherwise, during the term of this lease, UCF shall, at its sole option, terminate this Agreement, repair the Leased Premises or rebuild the Leased Premise; and in the event of partial destruction which leaves the Leased Premises uninhabitable, or in the event of total destruction, this Agreement shall, at UCF's sole option, be terminated immediately or be extended for a period of time equal to the time from when the Leased Premises became uninhabitable until the Leased Premises again became habitable.
  - B. Lessee, at its own expense, shall obtain and maintain property insurance to cover all personal property owned by it, and its stock, materials and supplies. Under no condition shall UCF be liable for the personal property, tangible or intangible, of the Lessee or its customers, employees or contractors that might be damaged or destroyed on the Leased Premises because of fire or other casualty.
  - C. Lessee shall obtain and maintain throughout the term of this Agreement, comprehensive public liability insurance from an insurance company licensed and authorized to do business in Florida, in the amount of not less than one-hundred thousand dollars (\$100,000.00) for injury or death to any one (1) person and not less than five-hundred thousand dollars (\$500,000.00) for each occurrence. The insurance policy shall designate as an additional insured, the University, against liability for injury or death to any person or persons or loss or damage to their property occurring on or about the Leased Premises arising from or in any way growing out of the willful or negligent acts or omissions of Lessee, or any of its employees,

contractors, its agents or others under Lessee's control and supervision, contrary to the valid laws, rules and regulations of the state of Florida and the United States of America. Prior to commencement of the installation of Lessee's fixtures and equipment, or occupancy of the Leased Premises, whichever is earlier, Lessee shall deliver to UCF a certificate of insurance from each insurance carrier showing the insurance required to be obtained and maintained by the Lessee pursuant to the terms of the Agreement, which is in full force and effect.

- 31. AMENDMENTS.** This Agreement may only be modified by a written amendment to this Agreement agreed to and signed by both parties. No changes or amendments to this Agreement are binding on the University unless made in legible writing that is signed by an attorney in the University's General Counsel's Office and an authorized UCF signatory. Lessee shall return this Agreement to the University's Purchasing Department at once with a written explanation if it is not acceptable in its entirety.
- 32. ATTACHMENTS AND ENTIRE AGREEMENT.** This Agreement and any attachments and/or addenda hereto that are executed by the University's duly authorized signatory constitute the entire and exclusive agreement between the parties. Attachments and/or addenda may include, but are not limited to, the University's ITN, including all the University's ITN specifications, and the Lessee's ITN response, if applicable. In the event of any conflict or inconsistency between this Agreement and the provisions of attached documents, the order of priority is:
- A. This Agreement;
  - B. The University's ITN and ITN specifications;
  - C. Lessee's ITN response; and
  - D. any other attached documents signed by the University's official signatory at the time the Agreement is executed.
- 33. MAINTENANCE AND REPAIR.**
- A. The premises, equipment, fixtures, supplies and facilities shall be maintained throughout the life of this contract by Lessee, in conditions satisfactory to the University. Thus, the Lessee shall adhere to the highest standards of cleanliness and sanitary practices. Inspectors of the Florida Department of the Business Regulation and campus safety and sanitation personnel shall have the Lessee's complete cooperation and access to all production and storage areas upon inspection. The inspections may be at the request of the University or on said agency's own direction. A copy of all inspection reports shall be furnished to the University by the Lessee. The Lessee is responsible to implement correct operating measures required as a result of inspections and report within ten (10) days notification from the inspecting agency and by mutual agreement of the University.
  - B. The removal or modification of any furnishings affixed to the building will be at the expense of the Lessee and, further, all damages to the



building caused by said removal or modification will be repaired at the expense of the Lessee. Such repair work will be performed under the supervision of University and completed to its reasonable satisfaction.

- C. Business Services will maintain and keep in repair the exterior of the premises during the term of this Agreement except such damage caused to the exterior of the premises by the Lessee.

### **34. DEFAULT AND REMEDIES.**

- A. Any of the following events shall constitute a material default by Lessee:
  - 1) Failure to pay rent promptly when due.
  - 2) Failure to fully and promptly perform or comply with any other term, provision of covenant of this Lease Agreement, other than non-payment of rent.
  - 3) Insolvency of the Lessee or a transfer in fraud of creditors or an assignment for the benefit of creditors.
  - 4) The appointment of a receiver, trustee or liquidator for all or substantially all of the assets of the Lessee.
- B. In the event of a material default by the Lessee which is not substantially cured within the thirty (30) days written notice to Lessee time permitted hereunder, the University shall have the option of terminating this Agreement by written notice, such termination to be effective thirty (30) days after receipt of said written notice by Lessee. Upon termination of this Agreement as provided herein, the University may pursue such legal remedies as are provided by law. In the alternative, the University may perform whatever obligations the Lessee may have failed to perform hereunder, the Lessee agrees to reimburse UCF on demand in writing with notice for any expense incurred in performing said obligations and any such expenses shall be deemed the equivalent of rents reserved under this Agreement.
- C. UCF shall not exercise any of its default remedies until and unless such default continues for thirty (30) days after the University thereof shall have first given written notice to the Lessee. Each notice of default shall specify in detail the alleged event of default and the required remedy. If it is not possible to cure any default within said thirty (30) day period, Lessee will not be considered in default if curative efforts are commenced within said thirty (30) day period thereafter diligently carried to completion.
- D. Any of the following events shall constitute a material breach by UCF:
  - 1) Failure to make payment required to be made by UCF under this Agreement, as and when due, where failure to pay continues for thirty (30) days after receipt by UCF or Lessee's written notice.
  - 2) Failure to comply with the provisions of this Agreement where such failure shall continue for thirty (30) days after receipt by UCF of Lessee's written notice thereof. Other than failure in the payment of money, UCF shall not be considered in default if it commences the

necessary cure within the thirty (30) day period, and diligently pursues such cure to completion.

- E. In the event of a material breach by UCF, Lessee, in addition to the other rights or remedies it may have, may at its option, perform UCF's obligation. Lessee shall have the right to offset any expense incurred against rent or other payment due or to become due.

**35. ADVERTISING.**

- A. Lessee covenants and agrees not to promote in any way the use of its services which might be construed in any way that UCF is endorsing such; provided, however, that on any map showing all the locations of the Lessee's offices, the location(s) on UCF's campus may also be shown so long as the print, color and general format is no different than that used for showing locations of the Lessee's offices off campus.
- B. To the extent reasonably possible, UCF agrees that the use of the Lessee's services shall be available to all Lessee customers in the general area of the Leased Premises. UCF further agrees that it shall provide customers reasonable pedestrian access to the Leased Premises, which access shall be handicapped accessible, at all times when the Lessee is open and otherwise available for use by customers.

**UNIVERSITY OF CENTRAL FLORIDA**

Signature: [Signature]

Printed: Gregory Robinson

Title: Director of Purchasing

Date: 8/16/13

**A-1 HAIR STUDIO**

Signature: [Signature]

Printed: Alfreda Cotton

Title: Stylist / Owner

Date: 8-16-13

Address: 4667 Stag Horn dr.  
Unit 400  
Orlando, FL 32808

Telephone: 321-217-7430

Facsimile: \_\_\_\_\_

FEID#/SS#: 96-2773925

Approved as to Form and Legality  
[Signature] 8/16/13