When recorded, mail to:

Brian D. Cunningham, Esq. SNELL & WILMER, L.L.P. Gateway Tower West 15 West South Temple, Suite 1200 Salt Lake City, Utah 84101

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# SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

201CC-One, LLC (West Valley City, Salt Lake County, Utah)

THIS SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT AGREEMENT ("Agreement") is made effective as of the day of January, 2009 by and among 201CC-ONE, LLC, a Utah limited liability company, as successor in interest to THE ARGENT GROUP 201, LLC, a Utah limited liability company ("Landlord"), QUARTZDYNE, INC., a Delaware corporation ("Tenant"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Lender").

#### Recitals

- A. Lender and Landlord entered into a Construction Loan Agreement, dated as of January 2, 2009, whereby Lender agreed to make a loan to Landlord in the aggregate amount of TEN MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$10,500,000.00) ("Loan") on the terms and conditions contained therein. Landlord executed and delivered to Lender a certain Promissory Note ("Note"), dated as of January 2, 2009, payable to the order of Lender in the original principal amount of TEN MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$10,500,000.00) with interest and principal payable as therein provided. The Loan and Note are secured by a Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust"), dated January 2, 2009 and which will be recorded in the official records of Salt Lake County, Utah, encumbering, among other things, the property described on Exhibit A attached hereto and made a part hereof and all improvements thereon ("Real Estate").
- B. Tenant has entered into that certain Lease Agreement, dated February 14, 2008 (the "Lease"), with Landlord pursuant to which Landlord has leased a portion of the Real Estate to Tenant for the term and on the terms and conditions set forth in the Lease.
- C. Tenant's obligation under the Lease are guaranteed pursuant to that certain Guaranty dated February 14, 2008 attached hereto as **Exhibit B**.
- D. The parties desire to agree upon the relative priority of their interests in the Real Estate and their rights and obligations if certain events occur.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties, the parties do hereby covenant and agree as follows:

- 1. <u>Definitions.</u> The following terms shall have the following meanings for purposes of this Agreement:
- (a) "Foreclosure Event" means (i) judicial or non-judicial foreclosure under the Deed of Trust; (ii) any other exercise by Lender of rights and remedies (whether under the Deed of Trust or under applicable law, including bankruptcy law) as holder of the Note and/or the Deed of Trust, as a result of which Successor Landlord becomes owner of the Real Estate; or (iii) delivery by Trustee to Lender (or its designee or nominee) of a deed or other conveyance of Trustee's interest in the Real Estate in lieu of any of the foregoing.

- (b) "Successor Landlord" means any party that becomes owner of the Real Estate as the result of a Foreclosure Event, including, but not limited to, Lender.
- 2. <u>Subordination of Lease</u>. The parties acknowledge and agree that the Lease is and shall be subject and subordinate, in right, interest, and lien, and for all purposes, to the Deed of Trust, and to all renewals, modifications, consolidations, replacements, and extensions thereof, and to any subsequent deed of trust with which the Deed of Trust may be spread or consolidated, to the full extent of the principal sum and all other amounts secured thereby and interest thereon.

#### 3. Nondisturbance and Attornment.

- (a) No Exercise of Deed of Trust Remedies Against Tenant. So long as the Lease is in full force and effect and Tenant is not in default under the Lease beyond any applicable cure period, Lender shall not name or join Tenant as a defendant in any exercise of Lender's rights and remedies arising upon a default under the Deed of Trust unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or pursuing such rights and remedies. In the latter case, Lender may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.
- (b) <u>Nondisturbance and Attornment</u>. If the Lease has not been terminated, then, when Successor Landlord takes title to the Real Estate: (i) Successor Landlord shall not terminate or disturb Tenant's possession of Tenant's premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (ii) Successor Landlord shall be bound to Tenant under all terms and conditions of the Lease (except as provided in this Agreement); (iii) Tenant shall recognize and attorn to Successor Landlord as Tenant under the Lease as affected by this Agreement as provided in paragraph 4 herein; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.
- (c) <u>Further Documentation</u>. The provisions of this Agreement shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Agreement in writing upon request by either of them.
- 4. Attornment. If Successor Landlord shall succeed to the interest of the Landlord under the Lease, and the Lease shall not have expired or been terminated in accordance with the terms of the Lease or this Agreement, Tenant shall, from and after such event, attorn to Successor Landlord, all rights and obligations under the Lease to continue as though the interest of Landlord had not terminated or such Foreclosure Event had not occurred. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Successor Landlord, any instrument or certificate which, in the reasonable judgment of Successor Landlord, may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment.
- 5. Rights and Obligations of Successor Landlord under Lease. Successor Landlord in the event of attornment shall have the same remedies in the event of any default by Tenant (beyond any period given Tenant to cure such default in the Lease) in the payment of annual base rent or additional rent or in the performance of any of the terms, covenants, and conditions of the Lease on Tenant's part to be performed that are available to Landlord under the Lease. Tenant shall have the same remedies against Successor Landlord for the breach of any agreement contained in the Lease that Tenant might have had against Landlord if Successor Landlord had not succeeded to the interest of Landlord; provided, however, that Successor Landlord shall not be:

- (a) liable for any act or omission of or any claims against any prior landlord (including Landlord), except for Successor Landlord's obligation to cure any act or omission which constitutes a default under the Lease and which is of a continuing nature and except for any claims related to Successor Landlord's failure to so cure which arise from and after the date on which Successor Landlord succeeded to the obligations of the prior landlord under the Lease; provided, however, that Successor Landlord or such other owner shall be liable and responsible for the performance of all covenants and obligations of prior landlord under the Lease accruing from and after the date that it takes title to the Real Estate (including, obtaining and maintaining insurance for the Real Estate in accordance with the Lease and shall be subject to all Tenant remedies set forth in the Lease for a failure to perform any landlord obligation and for any default by Successor Landlord (as landlord) under the Lease accruing from and after the date that Successor Landlord or such other owner takes title to the Real Estate; or
- (b) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord), other than any offset or counterclaim arising from and after the date on which Successor Landlord succeeded to the obligations of the prior landlord under the Lease (notwithstanding the fact that such condition may have pre-existed the acquisition of the Real Estate by Successor Landlord); or
- (c) bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord); or
- (d) bound by any amendment or modification of the Lease, or waiver of any of its terms, made without its consent that (i) results in a reduction in rent or other sums due and payable pursuant to the Lease, (ii) modifies any operating covenant of Tenant in the Lease, (iii) reduces the term of the Lease, (iv) modifies the terms of the Lease regarding surrendering possession of the Real Estate, (v) provides for the payment of rent more than one month in advance, (vi) modifies the permitted uses under the Lease, (vii) modifies the provisions regarding Tenant's obligation to comply with all laws (including environmental laws) or (viii) materially increases Landlord's obligations under the Lease; unless such amendment or modification was made pursuant to a right or option granted to Tenant pursuant to the Lease; or
- (e) liable for any security deposit that any prior landlord (including Landlord) owed to Tenant-unless the amount owed was actually delivered to Successor Landlord; or
- (f) bound by any surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant unless specifically set forth in the Lease; or
- (g) liable for any construction obligation of any prior landlord (including Landlord) unless such construction obligation is specifically set forth in the Lease; or
- (h) liable for any breach of representation or warranty of any prior landlord (including Landlord) other than with respect to any breach of a representation or warranty in the Lease with respect to the period commencing on and continuing after the date on which Successor Landlord succeeds to the obligations of the prior landlord under the Lease; or
- (i) liable for any damages or other relief attributable to any latent or patent defects in construction with respect to any portion of the Real Estate, unless the prior landlord is specifically liable as set forth in the Lease and Improvement or portion thereof containing the latent or patent defect was constructed after the date on which Successor Landlord succeeded to the obligations of the prior landlord under the Lease.
- 6. <u>Exculpation of Successor Landlord</u>. Notwithstanding anything to the contrary in this Agreement or the Lease, upon any attornment pursuant to this Agreement, the Lease shall be deemed to have been automatically amended to provide that Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in the Real Estate from time to time, including insurance and condemnation proceeds and Successor Landlord's interest in

the Lease (collectively, "Successor Landlord's Interest"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as amended or affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord.

#### 7. Lender's Right to Cure.

- (a) <u>Notice to Lender</u>. Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any remedies under the Lease, Tenant shall provide Lender with notice of the breach or default by Landlord giving rise to same ("*Default Notice*") and, or thereafter, the opportunity to cure such breach or default as provided for below.
- (b) <u>Lender's Cure Period</u>. After Lender receives a Default Notice, Lender shall have a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Lender shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Lender agrees or undertakes otherwise in writing.
- (c) Extended Cure Period. In addition, as to any breach or default by Landlord the cure of which requires Lender to possess and control the Real Estate, provided only that Lender undertakes to Tenant by written notice to Tenant within thirty (30) days after receipt of the Default Notice to exercise reasonable efforts to cure such breach or default within the period permitted by this paragraph, Lender's cure period shall continue for such additional time ("Extended Cure Period") as Lender may reasonably require to obtain possession and control of the Real Estate and thereafter to cure the breach or default with reasonable diligence and continuity. So long as any receiver of the Real Estate has been appointed and is continuing to serve, Lender shall be deemed to have possession and control of the Real Estate.

#### 8. Miscellaneous.

- (a) <u>Successors and Assigns</u>. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Lender assigns the Deed of Trust, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate.
- (b) <u>Entire Agreement</u>. This Agreement constitutes the entire agreement among Lender, Landlord, and Tenant regarding the rights and obligations of Tenant, Landlord, and Lender as to the subject matter of this Agreement.
- (c) <u>Interaction with Lease and with Deed of Trust.</u> If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for delivery of nondisturbance agreements by the holder of the Deed of Trust.
- (d) <u>Lender's Rights and Obligations</u>. Except as expressly provided for in this Agreement, Lender shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Lender under this Agreement shall terminate,

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without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement, or the amendments to the Lease set forth herein.

- (e) <u>Interpretation: Governing Law.</u> The interpretation, validity, and enforcement of this Agreement shall be governed by and construed under the internal laws of State of Utah, excluding such state's principles of conflicts of law.
- (f) <u>Amendments</u>. This Agreement may be amended, discharged, or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.
- (g) <u>Execution</u>. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
- (h) <u>Lender's Representation</u>. Lender represents that Lender has full authority to enter into this Agreement, and Lender's entry into this Agreement has been duly authorized by all necessary actions.
- 9. <u>Notices</u>. All notices, waivers, demands, requests, or other communications required or permitted hereunder shall, unless otherwise expressly provided, be in writing and be deemed to have been properly given, served, and received (i) if delivered by messenger, when delivered; (ii) if mailed, on the third (3rd) business day after deposit in the United States Mail, certified or registered, postage prepaid, return receipt requested; or (iii) if delivered by reputable overnight express courier, freight prepaid, the next business day after delivery to such courier; in every case addressed to the party to be notified as follows:

In the case of Lender, to:

U.S. Bank National Association

170 South Main St., Ste 600 Salt Lake City, Utah 84101 Attn: Michelle Pearce

With a copy to:

Snell & Wilmer LLP

15 West South Temple, Suite 1200

Salt Lake City, Utah 84101

Attention: Brian D. Cunningham, Esq.

In the case of Tenant, to:

Quartzdyne, Inc. 1020 Atherton Drive Salt Lake City, Utah 84111 Attention: President

In the case of Landlord, to:

201CC-One, LLC

10701 South River Front Parkway, Suite 135

South Jordan, Utah 84095 Attention: David S. Layton

With a copy to:

Parr, Brown, Gee & Loveless 185 South State Street, Suite 1300 Salt Lake City, Utah 841111 Attention: Victor A. Taylor, Esq.

or such other address or in care of such other person as hereafter shall be designated in writing by the applicable party and shall be deemed to have been given as of the date of receipt.

The parties have executed this Agreement	as of the date first above written.	
	201CC-ONE, LLC	
	By:	
	Name: David S. Layton Title: Manager	467 17 19
	$\mathcal{N}()$	"Landlord"
	QUARTZDYNE, INC.  a Delaware corporation	
	By:	
	Name:	
		"Tenant"
	U.S. BANK NATIONAL ASSOCIATION a national banking association	
	Ву:	
	Name: Michelle Pearce Title: Vice President	
	Title. Vice i resident	"Lender"

The parties have executed this Agreement to be effective as of the date first above written.

By:	•				
	: David S	. Layton			
	Manager				
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By: _					
		Montgome	ery 🔪		
Title	Vice Pres	ident			

"Lender"

The parties have executed this Agreement to be effective as of the date first above written.

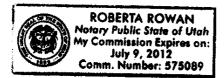
_	201CC-ONE, LLC	
	a Utah limited liability company	
	Ву:	
	Name: David S. Layton	
	Title: Manager	
		"Landlord"
_	QUARTZDYNE, INC.	
	a Delaware corporation	
	Ву:	
	Name:	
	Title:	_
		"Tenant"
		7
	U.S. BANK NATIONAL ASSOCIATION	
	a national banking association	
	•	
	Ma	
	Du Sle	
	By: Name: John R. Montgomery	
	Title: Vice President	
	•	"Lender"

STATE OF UTAH	)
	: SS.
County of Salt Lake	)

The foregoing instrument was acknowledged before me this 23<sup>-2</sup> day of December, 2008, by **DAVID S. LAYTON**, a Manager of **201CC-ONE**, **LLC**, a Utah limited liability company, for and on behalf of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Seal]



Kobertu Kowan
NOTARY PUBLIC

The foreg	oing instrument was acknowledge acknowledg	edged before me this	day of December, 2008, by of QUARTZDYNE, INC.,
Delaware corporat	on, for and on behalf of said	corporation.	, The interest of the in
	ESS WHEREOF, I have here rst above written.	unto set my hand and af	fixed my official seal the day and yea
		•	

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STATE OF UTAH	)
County of Salt Lake	; ss. )
	instrument was acknowledged before me this day of December, 2008, by a Manager of 201CC-ONE, LLC, a Utah limited liability company, for and on behalf company.
IN WITNESS in this certificate first a	WHEREOF, I have hereunto set my hand and affixed my official seal the day and year bove written.
[Seal]	NOTARY PUBLIC
STATE OF UTAH	) ; ss.
County of Sait Lake	)
	instrument was acknowledged before me this H day of January, 2009, by Lon J. QUARTZDYNE, INC., a Delaware corporation, for and on behalf of said corporation.
IN WITNESS in this certificate first a	WHEREOF, I have hereunto set my hand and affixed my official seal the day and year bove written.
[Seal] My C	ANA LAVAUGN HENRICHSEN Notary Public State of Utah commission Expires August 4, 2012 W Campus View Dr, Weel Jordan, UT 84084

STATE OF UTAH ) : ss.
County of Salt Lake )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of December , 2008, by Michelle Pearce, a Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, for and on behalf of said national banking association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

**NOTARY PUBLIC** 

[Seal]

STATE OF UTAH ) : ss.
County of Salt Lake )

The foregoing instrument was acknowledged before me this \_\_\_\_\_\_ day of January, 2009, by John R. Montgomery, a Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, for and on behalf of said national banking association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

RALPH E CARLSON II
Notary Public
State of Utah
My Contrib. Expires Jul 17, 2010
6055 W-3500 S Magna UT 84044

#### **EXHIBIT A**

## PROPERTY DESCRIPTION

That certain real property located in Salt Lake County, Utah and more particularly described as follows:

Lot 101, 201 Commerce Center Subdivision No. 1, according to the official plat thereof on file and of record in the Salt Lake County Recorder's Office.

#### **EXHIBIT B**

### CONSENT AND AGREEMENT OF GUARANTOR

With respect to the SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT AGREEMENT (the "Subordination Agreement") by and among 201CC-ONE, LLC, a Utah limited liability company, as successor in interest to THE ARGENT GROUP 201, LLC, a Utah limited liability company ("Landlord"), QUARTZDYNE, INC., a Delaware corporation ("Tenant"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Lender"), to which this Consent and Agreement of Guarantor is attached, the undersigned, DOVER CORPORATION, a Delaware corporation (the "Guarantor") agrees for the benefit of Lender as follows:

- 1. Guarantor acknowledges (a) receiving a copy of and reading the Subordination Agreement and (b) the effectiveness of (i) the Guaranty, dated February 14, 2008 (the "Guaranty"), by Guarantor, and (ii) any other agreements, documents, or instruments securing or otherwise relating to the Guaranty. The Guaranty and such other agreements, documents, and instruments, as modified herein, are referred to individually and collectively as the "Guarantor Documents". All capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the Subordination Agreement.
  - 2. Guarantor consents to all of the terms and conditions of the Subordination Agreement.
- 3. Guarantor ratifies and reaffirms the Guarantor Documents and agrees that the Guarantor Documents continue in full force and effect and remain unchanged and that the obligations of Guarantor set forth in the Loan Documents extend and inure to the benefit of Lender or any Successor Landlord under the Subordination Agreement. Any property or rights to or interests in property granted as security in the Guarantor Documents shall remain as security for the Guaranty and the obligations of Guarantor in the Guaranty.

DATED as of the date of the Subordination Agreement.

**DOVER CORPORATION** a Delaware corporation

Name: JEFFEY D

"Guarantor"

STATE OF TEXAS	)
County of MONTGOMERY	: ss )

On this 12 day of January, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared 127 bey D. Bust, known or identified to me to be the officer of DOVER CORPORATION, a Delaware corporation, that executed the within and foregoing instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

PEGGY ANN LUSK
Notary Public, State of Texas
My Commission Expires
May 20, 2009

NOTARY PUBLIC

Residing at

My commission expires: 5-20-09