

Execution Document

LEASE

1747 PENNSYLVANIA AVENUE, L.P.,
a Delaware limited partnership

Landlord

and

THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM,
an agency of the State of Texas

Tenant

Suite 400
1747 Pennsylvania Avenue, NW
Washington, DC

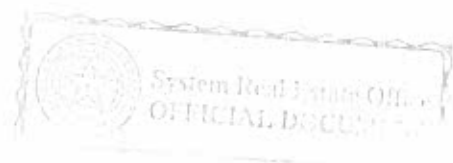
JANUARY 9, 2020



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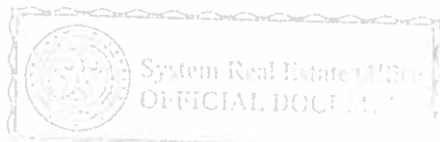
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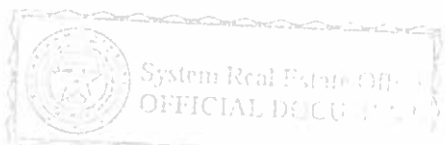
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LEASE

THIS LEASE (this "**Lease**") is made as of January 9, 2020 (the "**Effective Date**"), between **1747 PENNSYLVANIA AVENUE, L.P.**, a Delaware limited partnership ("**Landlord**"), and **THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM**, an agency of the State of Texas ("**Tenant**").

Landlord and Tenant hereby agree as follows:

ARTICLE 1 BASIC LEASE PROVISIONS

PREMISES	The entire fourth (4 th) floor of the Building, as more particularly shown on Exhibit A-Floor Plan
BUILDING	The building, fixtures, equipment and other improvements and appurtenances now located or hereafter erected, located or placed upon the Land and having an address of 1747 Pennsylvania Avenue, N.W., Washington, D.C. 20006
PARKING FACILITY	The parking structure, fixtures and other improvements and appurtenances now located or hereafter erected, located or placed upon the Land
LAND	The real property described on <u>Exhibit "A-1" - Land</u> to this Lease
PROJECT	The Land, the Building, the Common Areas (as defined in <u>Exhibit "B" - Definitions</u>) and the Parking Facility
COMMENCEMENT DATE	The date that is the earlier to occur of the following: (a) the first (1 st) Monday following the fourteenth (14 th) day after the date on which the Tenant Improvements (as defined in <u>Exhibit "C" - Work Agreement</u>) are Substantially Completed, or (b) the date that is twelve (12) months following the Effective Date
RENT COMMENCEMENT DATE	Twelve (12) months following the Commencement Date
EXPIRATION DATE	The last day of the month in which the one hundred thirty-second (132 nd) monthly anniversary of the Commencement Date falls (unless the Commencement Date is the first (1 st) day of a month, in which case the Expiration Date shall be the last day of the month immediately preceding the one hundred thirty-second (132 nd)



monthly anniversary of the Commencement Date), or the last day of any renewal or extended term, if the Term is extended in accordance with any express provision hereof, as such date might be extended or sooner terminated as provided in this Lease

TERM The period that begins on the Commencement Date and, unless this Lease is sooner terminated, ends on the Expiration Date

PERMITTED USES Executive and general offices and uses accessory or incidental thereto

BASE YEAR Calendar year 2020

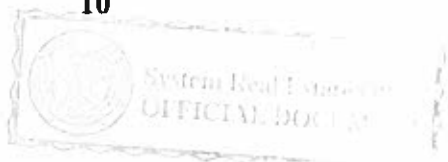
TENANT'S PROPORTIONATE SHARE The percentage equal to a fraction, the numerator of which is the Area of the Premises and the denominator of which is the Area of the Building, with Tenant's Proportionate Share for the initial Premises being 8.184%, subject to adjustment as set forth in Section 2.5

AREA OF THE BUILDING 164,253 rentable square feet, subject to adjustment as set forth in Section 2.5

AREA OF THE PREMISES 13,443 rentable square feet in the aggregate, consisting of (a) 3,382 rentable square feet currently known as Suite 400 ("Suite 400"), (b) 3,549 rentable square feet currently known as Suite 425 ("Suite 425"), and (c) 6,512 rentable square feet currently known as Suite 450 ("Suite 450"), subject to adjustment as set forth in Section 2.5

FIXED RENT

Lease Year	Rent PSF	Annual Fixed Rent	Monthly Fixed Rent
1	\$56.00	\$752,808.00	\$62,734.00
2	\$57.40	\$771,628.20	\$64,302.35
3	\$58.84	\$790,918.91	\$65,909.91
4	\$60.31	\$810,691.88	\$67,557.66
5	\$61.81	\$830,959.17	\$69,246.60
6	\$63.36	\$851,733.15	\$70,977.76
7	\$64.94	\$873,026.48	\$72,752.21
8	\$66.57	\$894,852.14	\$74,571.01
9	\$68.23	\$917,223.45	\$76,435.29
10	\$69.94	\$940,154.03	\$78,346.17



11

\$71.68

\$963,657.89

\$80,304.82

Notwithstanding anything herein to the contrary, Landlord shall abate the Fixed Rent from the Commencement Date to the day preceding the Rent Commencement Date.

ADDITIONAL RENT

All sums other than Fixed Rent payable by Tenant to Landlord under this Lease and any work letter, exhibits, riders or other attachments hereto, including Tenant's Tax Payment, Tenant's Operating Payment, late charges, overtime or excess service charges, supplemental water charges, damages, and interest and other costs related to Tenant's failure to perform any of its obligations under this Lease

RENT

Fixed Rent and Additional Rent, collectively

INTEREST RATE

The lesser of (i) four percent (4%) per annum above the then-current Base Rate, or (ii) the maximum rate permitted by applicable law

**LETTER OF CREDIT
AMOUNT**

None

**PARKING
ALLOCATION**

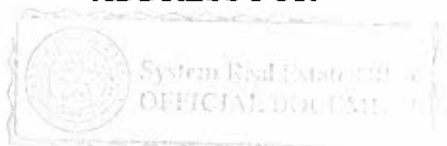
One (1) parking contract per one thousand five hundred (1,500) square feet of Area of the Premises (with such number of parking contracts being rounded to the nearest whole number) for use in the Parking Facility

**TENANT'S ADDRESS
FOR NOTICES**

The Texas A&M University System
1747 Pennsylvania Avenue, N.W., Suite 400
Washington, D.C. 20006

Copy to:

The Texas A&M University System
Office of General Counsel
Attn: System Real Estate
301 Tarrow, 6th Floor
College Station, Texas 77840-7896

**LANDLORD'S
ADDRESS FOR**

NOTICES

1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 45 Rockefeller Plaza, 7 th Floor New York, New York 10111 Attn: Chief Financial Officer	Copies to: 1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 1875 Eye Street, NW, Suite 1200 Washington, DC 20006 Attn: Regional Manager and Property Manager and: 1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 45 Rockefeller Plaza, 7 th Floor New York, New York 10111 Attn: Chief Legal Officer
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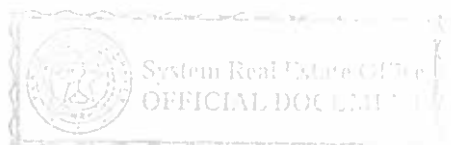
LANDLORD'S ADDRESS FOR NOTICES UNDER EXHIBIT C- WORK AGREEMENT

1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 1875 Eye Street, NW, Suite 300 Washington, DC 20006 Attn: Rustom A. Cowasjee	Copies to: 1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 1875 Eye Street, NW, Suite 1200 Washington, DC 20006 Attn: Rustom A. Cowasjee and: 1747 Pennsylvania Avenue, L.P. c/o Tishman Speyer Properties, L.P. 45 Rockefeller Plaza, 7 th Floor New York, New York 10111 Attn: Chief Legal Officer
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LANDLORD'S ADDRESS FOR PAYMENT

If by ACH or Wire to:

Wells Fargo Bank, N.A.



San Francisco, CA
ABA # 121 000 248
Acct # 4941253320
Acct Name: 1747 Pennsylvania Avenue, L.P.

If by Overnight Delivery to:

Wells Fargo Bank, N.A.
7175 Columbia Gateway Drive
Attn: Lockbox 759403
Columbia, MD 21046

If by United States Postal Service to:

1747 Pennsylvania Avenue, L.P.
P.O. Box 759403
Baltimore, MD 21275-9403

TENANT'S BROKER Broad Street Realty, LLC

LANDLORD'S AGENT Tishman Speyer Properties, L.P. or any other person designated at any time and from time to time by Landlord as Landlord's Agent and their successors and assigns

LANDLORD'S CONTRIBUTION The product of Ninety-Five and 00/100 Dollars (\$95.00) multiplied by the Area of the Premises

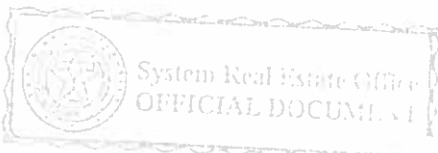
GUARANTOR None

All capitalized terms used in this Lease without definition are defined in **Exhibit "B" - Definitions** or in the other exhibits, riders, schedules or other attachments to this Lease.

ARTICLE 2 PREMISES, TERM, RENT

Section 2.1 Lease of Premises. Subject to the terms of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the Premises for the Term. In addition, Landlord grants to Tenant the right to use, on a non-exclusive basis and in common with other tenants, the Common Areas. Landlord shall make available to Tenant space in the Building riser (up to Tenant's Proportionate Share of available space in the riser) from the Building demark to the floor on which the Premises are located for Tenant's use pursuant to plans approved by Landlord.

Section 2.2 Commencement Date.



(a) From and after the Effective Date, the terms and provisions of this Lease shall be fully binding on Landlord and Tenant, including prior to the occurrence of the Commencement Date. The Building's base building utility and base building life safety systems serving the Premises shall be fully operational on the Commencement Date.

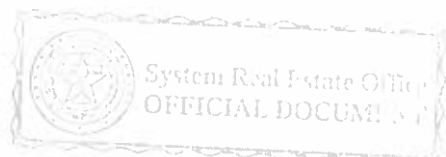
(b) Tenant is currently in possession of Suite 400 pursuant to an existing lease between Landlord and Tenant that is scheduled to expire on August 31, 2022 (the "**Current Lease**"). From and after the Effective Date, the Current Lease shall remain in effect and Tenant shall continue to pay all sums due thereunder, however, effective on the Commencement Date of this Lease, the Current Lease shall on its terms expire and all Fixed Rent and Additional Rent payable pursuant thereto shall be prorated and adjusted to the date of expiration. Any Fixed Rent and Additional Rent that is not timely paid pursuant to the Current Lease shall be deemed Rent payable under this Lease and Landlord shall have any remedy with respect to the nonpayment thereof that would be available with respect to the nonpayment of Rent under this Lease.

(c) Landlord shall tender to Tenant possession of Suites 425 and 450 (collectively, the "**Expansion Premises**") in their "as is" condition (within approximately three (3) business days following the Effective Date with respect to Suite 425, and on or about December 1, 2019 with respect to Suite 450 (as applicable, the "**Delivery Date**")) for purposes of commencing construction of the Tenant Improvements. If Landlord does not tender possession of the Expansion Premises or any portion thereof to Tenant on any specified date, for any reason whatsoever, this Lease shall not be void or voidable as a result thereof, Landlord shall not be liable for any damage thereby caused, such failure shall not affect any other obligations of Tenant hereunder (except as expressly provided in this Section). Landlord shall be deemed to have tendered possession of the Expansion Premises to Tenant upon the giving of notice by Landlord to Tenant stating that the Expansion Premises is vacant and is in the condition required by this Lease.

(d) Notwithstanding the foregoing, the tenant occupying Suite 450 is scheduled to vacate Suite 450 on or about November 30, 2019. It is understood that the date on which Landlord delivers to Tenant possession of Suite 450 shall not be earlier than the date on which the foregoing condition is met.

(e) Once the Delivery Date, the Commencement Date, and the Rent Commencement Date have been determined by Landlord, Landlord shall notify Tenant in writing thereof. Pending the delivery of any such notice, each of said items shall be as specified in the Basic Lease Provisions. Landlord's failure to deliver any of the foregoing notices shall not affect the determination of any of such dates. If Tenant fails to give Landlord written notice that Tenant contests Landlord's determination of any information contained in any commencement notice(s) within thirty (30) days after Tenant receives such commencement notice, Tenant shall be deemed to have accepted such determination(s).

Section 2.3 Payment of Rent. Tenant shall pay to Landlord at Landlord's Address for Payment, or at such other place as Landlord shall designate in writing from time to time, without notice or demand, and except as may be expressly set forth in this Lease, without any set-off, counterclaim, abatement or deduction whatsoever, in lawful money of the United States (i) Fixed

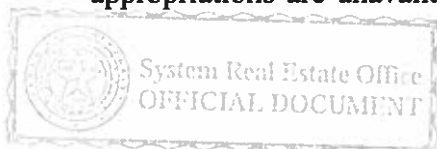


Rent in equal monthly installments, in advance, on the first (1st) day of each month during the Term, beginning on the Rent Commencement Date, and (ii) Additional Rent, at the times and in the manner set forth in this Lease.

Section 2.4 Temporary Use of Storage Space. Throughout the Storage Space Term (as defined below), Tenant shall have the right to use, at no additional cost to Tenant, approximately 106 square feet of storage space in the below grade area of the Building, the location and configuration of which are outlined on Exhibit F attached hereto (the "Storage Space"). Except as otherwise provided in this Section 2.4, all of the terms, covenants, conditions and provisions of this Lease shall apply to the Storage Space. Landlord shall make the Storage Space available to Tenant in its "as-is" condition commencing on the Effective Date and continuing through the fifteenth (15th) day after the Commencement Date (the "Storage Space Term"). Landlord agrees to provide, at Landlord's expense, partitions around the perimeter boundaries of the Storage space and a door and lock, but Landlord shall not be obligated to provide any other alterations or improvements or any allowance for the Storage Space. In addition, Landlord shall not be obligated to furnish any utilities, janitorial or other services to the Storage Space except for electricity reasonably sufficient for storage space purposes to any existing points of supply. Tenant shall not operate any electrically operated equipment or other machinery in Storage Space nor shall any personnel occupy the Storage Space for any period of time longer than necessary to deposit or remove items from the Storage Space. In no event shall Tenant store food, food products or other materials that may attract rodents or other pests. Landlord shall have no responsibility for the safety or security of Tenant's property in the Storage Space, nor for the climate and/or humidity conditions therein.

Section 2.5 Area of Premises and Building. Landlord and Tenant agree that the Area of the Premises and the Area of the Building set forth in Article 1 shall be conclusive and binding on both parties regardless of any measurement of the Premises and/or of the Building after the Effective Date. The foregoing notwithstanding, Landlord shall have the right to re-measure the Area of the Premises and the Area of the Building if, after the date hereof (i) there is a change in the measurement criteria or methodology under the BOMA Method of Measurement Standards ANSI Z65.1-1996; or (ii) there is a change in the use of the Building or any portion(s) thereof, such as the conversion of retail space to office space or office space to Common Area space. If there is a change in the Area of the Premises and/or the Area of the Building as aforesaid, such change shall be effective as of the date Landlord provides Tenant with notice of such change and such change shall apply only to Tenant's Proportionate Share, and shall not apply to or result in a change in, *inter alia*, the Fixed Rent payable by Tenant under this Lease or any concession or allowance to which Tenant might be entitled under this Lease that is based upon the Area of the Premises.

Section 2.6 Availability of Funding. This Lease is made and entered into in accordance with the provisions of Chapter 2167 of the Texas Government Code and may be contingent upon the continuation of state or federally funded programs, the appropriation of funds by the Texas Legislature. In the event a curtailment of federally and/or state funded programs and/or appropriations occurs and such curtailment is material and directly adversely affects Tenant's ability to meet its financial obligations under this Lease, or in the event state or federal appropriations are unavailable to satisfy Tenant's financial obligations under this Lease, and in



either case, after exercising reasonable efforts to identify other available funds, no such additional funds are available to satisfy Tenant's obligations under this Lease, Tenant may, upon at least six (6) months prior written notice to Landlord, terminate this Lease or assign its interest in this Lease or sublet all or any part of the Premises to another agency of the State of Texas. Tenant shall promptly notify Landlord in the event funds are curtailed or not appropriated to satisfy Tenant's financial obligations under this Lease (and, after exercising reasonable efforts as aforesaid, Tenant has no other funding sources available to meet its financial obligations under this Lease). If Tenant terminates the Lease in accordance with this Section 2.6, Tenant shall pay to Landlord, on or before the effective date of termination, the unamortized cost of Landlord's Contribution, the unamortized portion of the Fixed Rent that was abated from the Commencement Date through the day preceding the Rent Commencement Date, and the unamortized brokerage commissions paid by Landlord in connection with this Lease. Such costs shall be amortized (at an interest rate of six percent (6%)) on a straight-line basis over the initial Term of the Lease. The terms of this Section 2.6 shall apply only so long as Tenant is an agency of the State of Texas.

ARTICLE 3 USE AND OCCUPANCY; PARKING

Section 3.1 Permitted Uses. Tenant shall not use or occupy the Premises for any purpose other than for the Permitted Uses. Tenant shall not use or occupy or permit the use or occupancy of any part of the Premises in a manner constituting a Prohibited Use. Tenant, at Tenant's expense, shall procure and at all times maintain and comply with the terms and conditions of all licenses and permits required for the lawful conduct of the Permitted Uses in the Premises.

Section 3.2 Parking Facility.

(a) Except as set forth in this Lease to the contrary, Landlord shall arrange for and cause the Parking Allocation to be available to Tenant throughout the Term.

(b) Within ninety (90) days after the Commencement Date Tenant shall notify Landlord in writing of Tenant's desire to obtain all or a specified number of the Parking Allocation and Tenant shall enter into parking contracts with the Parking Facility tenant or operator (as applicable, the "**Operator**"). To the extent that Tenant fails to execute monthly parking contracts for any portion of the Parking Allocation within the aforementioned period or if Tenant subsequently fails to continuously maintain any such parking contracts, Tenant shall be deemed to have relinquished Tenant's right to such parking contracts.

(c) Landlord shall provide, or shall cause the Operator to provide, 24-hour access to the Parking Facility for each of Tenant's parking contracts.

(d) Unless directed in writing by Landlord to the contrary, Tenant shall be directly responsible to the Operator for the payment of any and all fees or charges due in connection with the parking contracts.



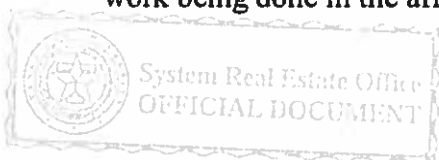
(e) Tenant acknowledges that Landlord or the Operator may temporarily relocate, or specifically designate the location of, Tenant's parking spaces from time to time as a result of an emergency or casualty at the Building. Tenant agrees that it and its employees shall observe reasonable safety precautions in the use of the Parking Facility and shall at all times abide by all reasonable rules and regulations promulgated by Landlord or Operator governing the use of the Parking Facility. Landlord does not assume any responsibility for any damage or loss to any automobiles parked in the Parking Facility or to any personal property located therein, or for any injury sustained by any person in or about the Parking Facility; provided, however, that Landlord shall not be released from liability to Tenant for any damage or loss to the extent caused by the gross negligence or willful misconduct of Landlord's employees or agents. Except in connection with a permitted assignment of this Lease or a permitted sublease of the Premises or a portion thereof or the use of parking by Tenant's customers, clients, visitors, employees and other business invitees, neither Tenant nor any Tenant employee nor any other party claiming by, through or under Tenant shall assign, sublet, license or otherwise transfer or allow the use of any of Tenant's parking rights under this Lease.

(f) Unless otherwise required by Landlord or the Operator, Tenant's parking rights shall be for non-reserved parking spaces. Landlord reserves the right to require that all or a portion of Tenant's Parking Allocation be for tandem, stacked, valet and such other parking arrangements as Landlord or the Operator shall from time to time deem reasonably necessary for the Parking Facility.

ARTICLE 4

CONDITION OF THE PREMISES

Section 4.1 Condition. Tenant shall accept and continue to occupy Suite 400 in its "as is" condition as of the Effective Date. Tenant has inspected the Expansion Premises and agrees: (i) to accept possession of the Expansion Premises in "as is" condition as of the Delivery Date, normal wear and tear by any current occupant excepted; and (ii) that, with the exception of engaging the Project Manager as defined in Exhibit C, Landlord has no obligation to perform any work, supply any materials, incur any expense (other than to provide Landlord's Contribution upon the terms set forth in this Lease), or make any alterations or improvements to prepare any portion of the Premises (*i.e.*, Suite 400 or the Expansion Premises) for Tenant's occupancy. Tenant's commencing work in or occupancy of any part of the Expansion Premises shall be conclusive evidence, as against Tenant, that Tenant has accepted possession of such part of the Expansion Premises in its then-current condition and that, at the time such possession was taken, the Expansion Premises, Suite 400, and the Building were in good and satisfactory condition as required by this Lease and the Work Agreement and agrees that Landlord has no obligation to perform any other work, supply any materials, incur any expense or make any other alterations or improvements to prepare any portion of the Premises for Tenant's occupancy. Notwithstanding the foregoing, Landlord shall perform any work necessary to deliver the existing HVAC perimeter window units and thermostats in the Expansion Premises in good working order on the Delivery Date (or by such later date so as not to delay the Tenant Improvements in the Expansion Premises). Landlord shall also perform any work necessary to repair or replace damaged or missing exterior blinds in the Expansion Premises and shall coordinate such work with the other work being done in the affected area.



ARTICLE 5 ALTERATIONS

Section 5.1 Tenant's Alterations.

(a) Tenant shall be permitted to make Decorative Alterations without Landlord's consent. Tenant shall be permitted to make Permitted Alterations with Landlord's prior consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall not make any Major Alterations without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion.

"Alterations" means any alterations or additions in or about the Premises by or at the request of Tenant (including the initial Tenant Improvements).

"Decorative Alterations" means minor decorative or cosmetic Permitted Alterations that do not require the issuance of any permit, such as painting or the installation of wall coverings or floor coverings.

"Permitted Alterations" means Alterations that do not consist solely of Decorative Alterations and that (i) are non-structural, (ii) do not materially and adversely affect any Base Building Systems (as defined in Exhibit "B" – Definitions), (iii) affect only the Premises and are not visible from outside of the Premises, and (iv) do not affect the certificate of occupancy issued for the Building or the Premises.

"Major Alterations" means Alterations that are neither Decorative Alterations nor Permitted Alterations.

(b) Prior to making any Alterations (other than Decorative Alterations), Tenant, at Tenant's expense, shall (i) submit to Landlord for its approval, detailed plans and specifications ("**Plans**") of each proposed Alteration, and with respect to any Alteration affecting any Base Building System, evidence that the Alteration has been designed by, or reviewed and approved by, Landlord's designated engineer for the affected Base Building System, (ii) obtain all permits, approvals and certificates required by any Governmental Authorities (as defined in Exhibit "B" – Definitions), and (iii) furnish to Landlord reasonably satisfactory evidence of Tenant's ability to complete and to fully pay for such Alterations. Landlord shall have ten (10) Business Days after receipt of the Plans within which to approve or disapprove of the Plans. If Landlord disapproves any Plans, Landlord will provide reasonably detailed grounds for such disapproval, except that Landlord shall not be required to state any grounds for disapproving any Major Alterations other than identifying the basis for Landlord's determination that such Alteration is a Major Alteration. Tenant shall give Landlord not less than five (5) Business Days' notice prior to performing any Decorative Alteration, which notice shall contain a description of such Decorative Alteration. Notwithstanding the foregoing, the Plans submission and approval provisions set forth in this Section shall not apply to the initial Tenant Improvements to be made at the Premises pursuant to Exhibit "C" -Work Agreement.

(c) Tenant, at Tenant's expense, shall, as and when required, promptly obtain certificates of partial and final approval of such Alterations required by any Governmental Authority and shall furnish Landlord with copies thereof, together with "as-built" drawings for such Alterations (other than Decorative Alterations) prepared on an AutoCAD Computer Assisted Drafting and Design System (or such other system or medium as Landlord may reasonably require), using naming conventions issued by the American Institute of Architects in June, 1990 (or such other naming conventions as Landlord may reasonably accept) and magnetic computer media of such record drawings and specifications translated in DWG format or another format acceptable to Landlord. This Section 5.1(c) shall not apply to the initial Tenant Improvements to be made at the Premises pursuant to **Exhibit "C" - Work Agreement**.

Section 5.2 Manner and Quality of Alterations. All Alterations shall be performed (i) in a good and workmanlike manner and free from material defects, (ii) except in connection with Decorative Alterations (for which no Plans will be required), substantially in accordance with the Plans, and by contractors reasonably approved by Landlord, and (iii) in compliance with all Requirements, the terms of this Lease and all construction procedures and regulations then reasonably prescribed by Landlord. All materials and equipment shall be of first quality and at least equal to the applicable standards for the Building then reasonably established by Landlord, and no such materials or equipment, other than Tenant's Property (as defined in **Exhibit "B" - Definitions**), shall be subject to any lien or other encumbrance.

Section 5.3 Removal of Tenant's Property. On or before the Expiration Date, Tenant, at Tenant's expense, shall remove Tenant's Property from the Premises. Unless otherwise directed by Landlord, on or before the Expiration Date, Tenant, at Tenant's expense, shall (i) remove all Specialty Alterations (as defined in **Exhibit "B" - Definitions**) and close up any slab penetrations at the Premises; and (ii) remove all other Alterations (other than Decorative Alterations). Tenant, at Tenant's expense, shall repair and restore in a good and workmanlike manner any damage to the Premises and/or the Building caused by Tenant's removal of Tenant's Property and any Alterations or by the closing of any slab penetrations over and above what would be commercially acceptable as "normal wear and tear." The foregoing notwithstanding, promptly after Landlord's receipt of a written request by Tenant which specifically requests Landlord to indicate to Tenant whether Landlord will require the removal of any Specialty Alterations or Alterations, and provided such request is given to Landlord together with Tenant's request for Landlord's approval of any such Specialty Alterations or Alterations, Landlord will indicate to Tenant whether Landlord will require the removal of any such Specialty Alterations or Alterations; provided, however, Landlord shall not require Tenant to remove any Decorative Alterations and/or any Alterations that are typically found in first-class office space in Comparable Buildings except for Specialty Alterations identified by Landlord in the aforementioned notice. If Tenant fails to so remove any of Tenant's Property and/or any Alterations that Tenant is required to remove, the same shall be deemed abandoned and Landlord may remove and dispose of same, and repair and restore any damage caused thereby, at Tenant's expense, and without accountability to Tenant. All Alterations that Landlord does not require Tenant to remove as aforesaid shall become Landlord's property upon the expiration or earlier termination of this Lease.

Section 5.4 Mechanic's Liens. Tenant, at Tenant's expense, shall discharge any lien or charge recorded or filed against the Project in connection with any work done or claimed to have been done by or on behalf of, or materials furnished or claimed to have been furnished to, Tenant, within twenty (20) days after Tenant's receipt of notice thereof by payment, filing the bond required by law or otherwise in accordance with law.

Section 5.5 Labor Relations. Tenant shall not employ, or permit the employment of, any contractor, subcontractor, supplier, mechanic or laborer or permit any materials to be delivered to or used at the Premises if, in Landlord's reasonable judgment, such employment, delivery or use will interfere or cause any conflict with other contractors, subcontractors, suppliers, mechanics or laborers engaged in the construction, maintenance or operation of the Building by Landlord or Tenant or others or with Landlord's operation of the Building or the conduct of business therein (e.g., protesters picketing or otherwise demonstrating on the sidewalk outside of the Building). If such interference or conflict occurs and continues for more than five (5) Business Days after notice from Landlord, upon Landlord's further request, Tenant shall cause all contractors, subcontractors, suppliers, mechanics or laborer's mechanics or laborers causing such interference or conflict to leave the Building immediately.

Section 5.6 Tenant's Costs. Tenant shall pay promptly to Landlord, upon demand, for (i) all commercially reasonable out-of-pocket costs incurred by Landlord in connection with the review of any Alterations plans, provided, that in the event Landlord reasonably anticipates that such out-of-pocket costs will exceed \$2,500.00 per instance, then Landlord shall provide written notice to Tenant of such anticipated costs and Tenant shall have the right to withdraw its request for approval of the particular Alterations to which such costs relate, (ii) the time reasonably spent by Landlord's personnel (outside of such personnel's regular working hours) to operate elevators or otherwise to facilitate any Alterations, which time shall be charged at the commercially reasonable hourly rate that Landlord normally charges for such personnel's services, and (iii) the time reasonably spent by Landlord's construction manager protecting Landlord's interest (taking into account the nature of the Alterations) in connection with the Alterations, which time shall be charged at the hourly rate that Landlord normally charges for Landlord's construction manager's services. If Tenant's Alterations cost more than \$25,000 but less than \$100,000, Tenant shall pay to Landlord, upon demand, an administrative fee in an amount equal to three percent (3%) of the total cost of such Alterations. If Tenant's Alterations cost \$100,000 or more, Tenant shall pay to Landlord, upon demand, an administrative fee in an amount equal to one and one-half percent (1.5%) of the total cost of such Alterations. At Landlord's request, Tenant shall deliver to Landlord reasonable supporting documentation evidencing the hard and soft costs incurred by Tenant in designing and constructing any Alterations. Notwithstanding the foregoing, this Section 5.6 shall not apply to the initial Tenant Improvements.

Section 5.7 Tenant's Equipment. Tenant shall provide notice to Landlord prior to moving any heavy machinery, heavy equipment, freight, bulky matter or fixtures (collectively, "Equipment") into or out of the Building and shall pay to Landlord any reasonable costs actually incurred by Landlord in connection therewith. If such Equipment requires special handling, Tenant agrees (i) to employ only persons holding all necessary licenses to perform such work,



(ii) all work performed in connection therewith shall comply with all applicable Requirements (as defined in **Exhibit "B" – Definitions**) and (iii) such work shall be done only during hours reasonably designated by Landlord.

Section 5.8 Legal Compliance. The approval of Alteration Plans, or consent by Landlord to the making of any Alterations, does not constitute Landlord's representation that such Alteration Plans or Alterations comply with any Requirements. Landlord shall not be liable to Tenant or any other party in connection with Landlord's approval of any Alteration Plans, or Landlord's consent to Tenant's performing any Alterations. If any Alterations made by or on behalf of Tenant, require Landlord to make any alterations or improvements to any part of the Building in order to comply with any Requirements, Tenant shall pay all reasonable costs and expenses actually incurred by Landlord, without markup, in connection with such alterations or improvements.

Section 5.9 Floor Load. Tenant shall not place a load upon any floor of the Premises that exceeds eighty (80) pounds per square foot "live-load" or twenty (20) pounds per square foot "dead-load." Landlord reserves the right to reasonably designate the position of all Equipment which Tenant wishes to place within the Premises, and to place reasonable limitations on the weight thereof.

ARTICLE 6 REPAIRS

Section 6.1 Landlord's Repair and Maintenance. Landlord shall operate, maintain and, except as provided in Section 6.2 hereof, make all necessary repairs (both structural and nonstructural) to (i) the Base Building Systems, (ii) the Common Areas, and (iii) the structural components of the Building including, without limitation, the exterior, including exterior doors and windows, load bearing elements, foundations, roof and roof membrane and, to the extent applicable, the cost of such repairs, maintenance and replacements will be included in Operating Expenses. Landlord shall make all repairs with due diligence and due care in a good and workmanlike manner and in compliance with all applicable Requirements.

Section 6.2 Tenant's Repair and Maintenance. Provided such repair is not otherwise specified as the obligation of Landlord pursuant to Section 6.1 above, Tenant shall promptly, at Tenant's expense and in compliance with Section 5.2, make all nonstructural repairs to the Premises and all repairs to the fixtures, plate glass (excluding the exterior windows), Specialty Alterations, equipment and appurtenances located within or exclusively serving the Premises including all electrical and plumbing systems serving the Premises from the point of connection to the Base Building System and all supplemental heating, ventilation and air conditioning systems exclusively serving the Premises or, if this Lease expressly provides that the Premises will be served by the HVAC System, any alterations or improvements to the HVAC System made or caused to be made by Tenant (collectively, "**Tenant Fixtures**") as and when needed to preserve the Premises in good working order and condition, except for reasonable wear and tear, damage by casualty or condemnation, and damage for which Tenant is not responsible. Subject to Section 11.2(b), all damage to the Building or to any portion thereof or to any Tenant Fixtures requiring structural or nonstructural repair caused by or resulting from any negligent act



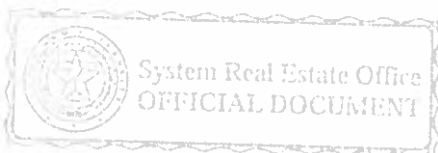
or omission of a Tenant Party (as defined in **Exhibit "B" – Definitions**) or the moving of Tenant's Property or Equipment into, within or out of the Premises by a Tenant Party, shall be repaired at Tenant's expense by Tenant or by Landlord in accordance with the allocation of repair responsibilities set forth in Article 11. All Tenant repairs shall be of good quality utilizing new (or like new) construction materials and in compliance with Section 5.2.

Section 6.3 Restorative Work. Landlord reserves the right to make all changes, alterations, additions, improvements, repairs or replacements to the Building and Base Building Systems, including changing the arrangement or location of entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets or other Common Areas (collectively, "**Restorative Work**"), as Landlord reasonably deems necessary or desirable, and to take all materials into the Premises required for the performance of such Restorative Work, provided that (i) the level of any Building service shall not decrease in any material respect from the level required of Landlord in this Lease as a result thereof (other than temporary changes in the level of such services during the performance of any such Restorative Work) and (ii) Tenant is not deprived of reasonable access to the Premises or the Parking Facility. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises during the performance of such Restorative Work. There shall be no Rent abatement or allowance to Tenant for a diminution of rental value, no actual or constructive eviction of Tenant, in whole or in part, no relief from any of Tenant's other obligations under this Lease, and no liability on the part of Landlord by reason of inconvenience, annoyance or injury to business arising from Landlord, Tenant or others performing, or failing to perform, any Restorative Work.

ARTICLE 7 TAXES AND OPERATING EXPENSES

Section 7.1 Definitions.

- (a) "**Assessed Valuation**" shall mean the amount for which the Project is assessed by any applicable Governmental Authority for the purpose of imposition of Taxes.
- (b) "**Base Operating Expenses**" shall mean the Operating Expenses for the Base Year.
- (c) "**Base Taxes**" shall mean the Taxes payable on account of the Base Year.
- (d) "**Calendar Year**" shall mean each calendar year, all or any portion of which falls during the Term.
- (e) "**Comparison Year**" shall mean any Calendar Year commencing subsequent to the Base Year.
- (f) "**Operating Expenses**" shall mean the aggregate of all costs and expenses paid or incurred by or on behalf of Landlord in connection with the ownership, operation, repair and maintenance of the Project, including, but not limited to, the following:



(i) any capital improvement made after the Base Year if such capital improvement either (A) is reasonably intended to result in a reduction in Operating Expenses (*e.g.*, a labor-saving improvement) provided the amount included in Operating Expenses in any Comparison Year shall not exceed an amount equal to the savings reasonably determined or anticipated by Landlord to result from the installation and operation of such improvement, and/or (B) is made during any Comparison Year to comply with Requirements, exclusive of any costs incurred to remedy any Requirements violation existing on the Commencement Date. Such capital improvements shall be amortized (with interest at the Base Rate) on a straight-line basis over such period as Landlord shall reasonably determine, and the amount included in Operating Expenses in any Comparison Year shall be equal to the annual amortized amount;

(ii) costs of maintaining and operating (including the reasonable rental value thereof, but not for more than 1,500 square feet of rentable area) the management and engineering offices, if any, for the Building;

(iii) costs incurred by Landlord in establishing, equipping, maintaining, repairing and operating (including the reasonable rental value thereof) any Building amenities or services intended by Landlord for the general benefit of tenants of the Building such as any concierge service (whether located at the Building or made available to Building tenants from an off-site location);

(iv) costs of maintaining the sidewalks, landscaping and other improvements adjacent to the Project including, without limitation, costs of cleaning, removing snow and spreading salt; feeding trees; removing trash from tree boxes; and adding mulch to tree boxes;

(v) costs incurred for Parking Facility utilities, elevators, insurance, cleaning, restriping, HVAC and security;

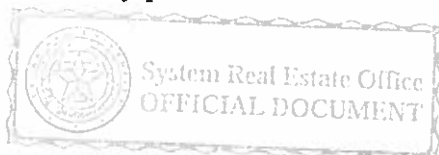
(vi) electricity, water and other utility costs;

(vii) costs of all insurance (including any terrorism insurance) maintained by Landlord in connection with the Project and/or Landlord's equipment, fixtures and personal property used in connection therewith; and

(viii) a property management fee in the amount of three percent (3%) of gross rents and revenues received by Landlord from the Project (including, without limitation, Operating Expense and Tax pass-throughs and reimbursements) and all items reimbursable to the Building property manager pursuant to any management contract for the Building.

Except as might be expressly set forth in this Lease to the contrary, Operating Expenses shall be calculated in accordance with customary practices employed by other comparable owners of Comparable Buildings. Landlord shall not seek to capture more than 100% of Operating Expenses. Operating Expenses shall not include any Excluded Expenses.

If during all or part of the Base Year or any Comparison Year, Landlord does not furnish any particular item of work or service (which would otherwise constitute an Operating Expense)



to any leasable portion of the Building and the costs of such item constitutes an Operating Expense and the cost varies with the Building's occupancy level or if any tenant of the Building does not normally use a specific Building area or improvement (*e.g.*, a first (1st) floor retail tenant with an exterior premises entrance door does not normally use the Building's passenger elevators), then, for purposes of computing Operating Expenses for such period, the amount included in Operating Expenses for such period shall be increased by an amount equal to the costs that Landlord reasonably determines would have been incurred during such period if Landlord had furnished such item of work or service to such portion of the Building or if all tenants of the Building had normally used such Building area or improvement; provided, however, if the result of such computation would be to have Landlord expenditures for such items included in Tenant's Operating Payment exceed the actual cost of such items, then the foregoing amount shall be reduced by such excess. In determining the amount of Operating Expenses for the Base Year or any Comparison Year, if less than ninety-five percent (95%) of the Building rentable area is occupied by tenants at any time during the Base Year or any such Comparison Year, then Operating Expenses which vary with occupancy shall be determined for the Base Year or such Comparison Year to be an amount equal to the like expenses which would normally be expected to be incurred had such occupancy been ninety-five percent (95%) throughout the Base Year or such Comparison Year; provided, however, if the result of such computation would be to have Landlord's expenditure recoveries for such items exceed the actual cost of such items, then the foregoing amount shall be reduced by such excess.

To the extent that the Building shares facilities and/or services with other buildings (such, as, by way of example only, an engineering office or engineering services, a property management office or property management services and a fitness center), Operating Expenses shall include the portion of all costs, expenses and disbursements relating to such shared facilities and services as Landlord reasonably allocates to the Building provided that if such expenses were incurred solely at or in connection with the Building, such expenses would otherwise constitute Operating Expenses hereunder. For example, if the property management office for the Building were located in another office building containing the same rentable area as the Building and such management office also serves as the property management office for such other building, Operating Expenses for the Building would include Landlord's reasonable allocation to the Building of the cost of maintaining and operating (including the reasonable rental value thereof, but not for more than the rentable area permitted above) the management offices at such other building.

(g) **"Statement"** shall mean a statement setting forth in reasonable detail a comparison of (i) the Base Taxes and the Taxes for an applicable Comparison Year, together with the amount of Tenant's Tax Payment for such Comparison Year, or (ii) the Base Operating Expenses and the Operating Expenses payable for any Comparison Year, together with the amount of Tenant's Operating Payment for such Comparison Year.

(h) **"Taxes"** shall mean (i) all real estate taxes, assessments, sewer and water rents, Business Improvement District assessments and charges and all other governmental levies, impositions or charges, whether general, special, ordinary, extraordinary, foreseen or unforeseen, which may be assessed, levied or imposed upon all or any part of the Project or in connection with the use thereof (including any transit, personal property, sales, rental, use, gross receipts, or

occupancy taxes, vault rental and other taxes and assessments), and (ii) all expenses (including reasonable attorneys' fees and disbursements and experts' and other witnesses' fees) incurred in contesting any of the foregoing or the Assessed Valuation of the Project (but such expenses will not be included in Base Taxes if incurred during the Base Year). Taxes shall not include (x) interest or penalties incurred by Landlord as a result of Landlord's late payment of Taxes, (y) franchise, transfer, gift, inheritance, estate or net income taxes imposed upon Landlord, or (z) deed transfer, transfer of economic interests or recordation taxes. For purposes hereof, "Taxes" for any Calendar Year shall be deemed to be the Taxes which are assessed, levied or imposed for such Calendar Year regardless of when due or paid. If any Taxes are assessed on a fiscal year (rather than a Calendar Year), Landlord shall have the right to equitably allocate such Taxes on a Calendar Year basis. If Landlord elects to pay any assessment in annual installments, then (i) such assessment shall be deemed to have been so divided and to be payable in the maximum number of installments permitted by law, and (ii) there shall be deemed included in Taxes for each Comparison Year the installments of such assessment becoming payable during such Comparison Year, together with interest payable during such Comparison Year on such installments and on all installments thereafter becoming due as provided by law, all as if such assessment had been so divided. If at any time the methods of taxation prevailing on the Effective Date shall be altered so that in lieu of or as an addition to the whole or any part of Taxes, there shall be assessed, levied or imposed (A) a tax, assessment, levy, imposition or charge based on the income or rents received from the Project whether or not wholly or partially as a capital levy or otherwise, (B) a tax, assessment, levy, imposition or charge measured by or based in whole or in part upon all or any part of the Project and imposed upon Landlord, (C) a license fee measured by the rents, or (D) any other tax, assessment, levy, imposition, charge or license fee however described or imposed, including business improvement district impositions and business, professional and occupational license fees, then all such taxes, assessments, levies, impositions, charges or license fees or the part thereof so measured or based shall be deemed to be Taxes.

Section 7.2 Tenant's Tax Payment.

(a) If the Taxes payable for any Comparison Year exceed the Base Taxes, Tenant shall pay to Landlord Tenant's Proportionate Share of such excess ("**Tenant's Tax Payment**"). Notwithstanding the foregoing, Tenant's obligation to pay Tenant's Tax Payment shall not begin until the Rent Commencement Date. For each Comparison Year, Landlord shall furnish to Tenant a written statement setting forth Landlord's reasonable estimate of Tenant's Tax Payment for such Comparison Year (the "**Tax Estimate**"). Tenant shall pay to Landlord on the first (1st) day of each month during such Comparison Year an amount equal to 1/12 of the Tax Estimate for such Comparison Year. If Landlord furnishes a Tax Estimate for a Comparison Year subsequent to the commencement thereof, then (i) until the first (1st) day of the month following the month in which the Tax Estimate is furnished to Tenant, Tenant shall pay to Landlord on the first (1st) day of each month an amount equal to the monthly sum payable by Tenant to Landlord under this Section during the last month of the preceding Comparison Year, (ii) promptly after the Tax Estimate is furnished to Tenant or together therewith, Landlord shall give notice to Tenant stating whether the installments of Tenant's Tax Estimate previously made for such Comparison Year were greater or less than the installments of Tenant's Tax Estimate to be made for such Comparison Year in accordance with the Tax Estimate, and (x) if there shall be

a deficiency, Tenant shall pay the amount thereof within thirty (30) days after demand therefor, or (y) if there shall have been an overpayment, Landlord shall credit the amount thereof against subsequent payments of Rent due hereunder, and (iii) on the first (1st) day of the month following the month in which the Tax Estimate is furnished to Tenant, and on the first (1st) day of each month thereafter throughout the remainder of such Comparison Year, Tenant shall pay to Landlord an amount equal to 1/12 of the Tax Estimate.

(b) As soon as reasonably practicable after Landlord has determined the Taxes for a Comparison Year, Landlord shall furnish to Tenant a Statement for such Comparison Year. If the Statement shows that the sums paid by Tenant under Section 7.2(a) exceeded the actual amount of Tenant's Tax Payment for such Comparison Year, Landlord shall credit the amount of such excess against subsequent payments of Rent due hereunder or, if the Term has expired, Landlord shall pay such amount to Tenant (net of any sums then owed by Tenant to Landlord) within thirty (30) days after delivery of the Statement to Tenant. If the Statement for such Comparison Year shows that the sums so paid by Tenant were less than Tenant's Tax Payment for such Comparison Year, Tenant shall pay the amount of such deficiency within thirty (30) days after delivery of the Statement to Tenant.

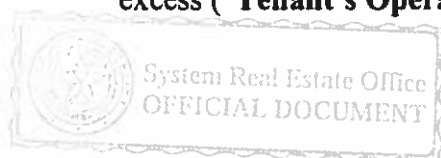
(c) Only Landlord may institute proceedings to reduce the Assessed Valuation of the Project and the filings of any such proceeding by Tenant without Landlord's consent shall constitute an Event of Default. If the Taxes payable for the Base Year are reduced, the Base Taxes shall be correspondingly revised, the Additional Rent previously paid or payable on account of Tenant's Tax Payment hereunder for all Comparison Years shall be recomputed on the basis of such reduction, and Tenant shall pay to Landlord within thirty (30) days after being billed therefor, any deficiency between the amount of such Additional Rent previously computed and paid by Tenant to Landlord, and the amount due as a result of such recomputations. If Landlord receives a refund of Taxes for any Comparison Year, Landlord shall credit against subsequent payments of Rent due hereunder, an amount equal to Tenant's Proportionate Share of the refund, net of any expenses incurred by Landlord in achieving such refund, which amount shall not exceed Tenant's Tax Payment paid for such Comparison Year or, if the Term has expired, Landlord shall promptly pay such amount to Tenant (net of any sums then owed by Tenant to Landlord).

(d) Tenant shall be responsible for any applicable occupancy or rent tax now in effect or hereafter enacted and, if such tax is payable by Landlord, Tenant shall promptly pay such amounts to Landlord, upon Landlord's demand.

(e) Tenant shall be obligated to make Tenant's Tax Payment regardless of whether Tenant may be exempt from the payment of any Taxes as the result of any reduction, abatement or exemption from Taxes granted or agreed to by any Governmental Authority, or by reason of Tenant's diplomatic or other tax-exempt status.

Section 7.3 Tenant's Operating Payment.

(a) If the Operating Expenses payable for any Comparison Year exceed the Base Operating Expenses, Tenant shall pay to Landlord Tenant's Proportionate Share of such excess ("**Tenant's Operating Payment**"). Notwithstanding the foregoing, Tenant's obligation to

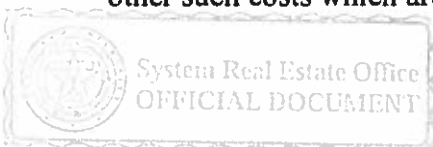


pay Tenant's Operating Payment shall not begin until the Rent Commencement Date. For each Comparison Year, Landlord shall furnish to Tenant a written statement setting forth Landlord's reasonable estimate of Tenant's Operating Payment for such Comparison Year (the "Expense Estimate"). Tenant shall pay to Landlord on the first (1st) day of each month during such Comparison Year an amount equal to 1/12 of the Expense Estimate. If Landlord furnishes an Expense Estimate for a Comparison Year subsequent to the commencement thereof, then (i) until the first (1st) day of the month following the month in which the Expense Estimate is furnished to Tenant, Tenant shall pay to Landlord on the first (1st) day of each month an amount equal to the monthly sum payable by Tenant to Landlord under this Section during the last month of the preceding Comparison Year, (ii) promptly after the Expense Estimate is furnished to Tenant or together therewith, Landlord shall give notice to Tenant stating whether the installments of Tenant's Operating Payment previously made for such Comparison Year were greater or less than the installments of Tenant's Operating Payment to be made for such Comparison Year in accordance with the Expense Estimate, and (x) if there shall be a deficiency, Tenant shall pay the amount thereof within thirty (30) days after demand therefor, or (y) if there shall have been an overpayment, Landlord shall credit the amount thereof against subsequent payments of Rent due hereunder, and (iii) on the first (1st) day of the month following the month in which the Expense Estimate is furnished to Tenant, and on the first (1st) day of each month thereafter throughout the remainder of such Comparison Year, Tenant shall pay to Landlord an amount equal to 1/12 of Tenant's Operating Payment shown on the Expense Estimate.

(b) On or before May 1st of each Comparison Year, Landlord shall furnish to Tenant a Statement for the immediately preceding Comparison Year. If the Statement shows that the sums paid by Tenant under Section 7.3(a) exceeded the actual amount of Tenant's Operating Payment for such Comparison Year, Landlord shall credit the amount of such excess against subsequent payments of Rent due hereunder or, if the Term has expired, Landlord shall pay such amount to Tenant (net of any sums then owed by Tenant to Landlord) within thirty (30) days after delivery of the Statement to Tenant. If the Statement shows that the sums so paid by Tenant were less than Tenant's Operating Payment for such Comparison Year, Tenant shall pay the amount of such deficiency within thirty (30) days after Tenant's receipt of the Statement.

(c) (i) For purposes of calculating Operating Expenses, Controllable Expenses for any calendar year after the Base Year shall be deemed not to have exceeded the Cap. The "Cap" means, for each year after the Base Year, 106% of the Controllable Expenses incurred during the Base Year, compounded annually for each calendar year (or partial calendar year) after the Base Year (e.g., if the Controllable Expenses incurred during the Base Year were \$10,000, then the Cap would be \$10,600 (\$10,000 x 106%) for the first calendar year after the Base Year; \$11,236 (\$10,000 x 106% x 106%) for the second calendar year after the Base Year; and so on).

(ii) "Controllable Expenses" means all Operating Expenses that are within Landlord's reasonable control. Controllable Expenses do not include, without limitation, the following: (A) insurance premiums; (B) utility costs; (C) costs incurred for ice and snow removal; (D) property owner association dues and charges (if any); (E) costs required by governmental act or law; (F) taxes and governmental assessments; and (G) union labor costs and other such costs which are impacted by wage increases not within Landlord's control.

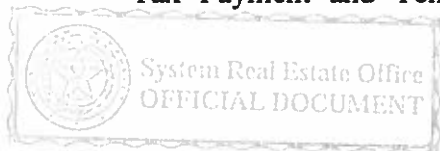


Section 7.4 Non-Waiver; Disputes.

(a) Landlord's failure to render any Statement on a timely basis with respect to any Comparison Year shall not prejudice Landlord's right to thereafter render a Statement with respect to such Comparison Year or any subsequent Comparison Year, nor shall the rendering of a Statement prejudice Landlord's right to thereafter render a corrected Statement for that Comparison Year; provided, however that Landlord shall not be entitled to collect any Operating Expenses or Taxes not billed to Tenant by December 31st of the first (1st) calendar year following the calendar year in which such Operating Expenses or Taxes were actually incurred (unless Landlord was disputing such bill and resolved such dispute after such period or Landlord did not receive such bill within such period).

(b) Each Statement sent to Tenant shall be conclusively binding upon Tenant unless (i) Tenant pays to Landlord when due the amount set forth in such Statement, without prejudice to Tenant's right to dispute such Statement, and (ii) within sixty (60) days after such Statement is sent, Tenant sends a notice to Landlord requesting a review of Landlord's books and records applicable to such Statement, in which case Tenant and its accountants shall have the right to review Landlord's books and records applicable to such Statement. With respect to each Statement, Landlord will maintain its applicable books and records for a period of at least three (3) years after such Statement is delivered to Tenant and thereafter during the pendency of any review thereof by Tenant pursuant to the terms of this Lease. Tenant agrees that Tenant will not employ, in connection with any dispute under this Lease with respect to a Statement, any person or entity who is to be compensated in whole or in part, on a contingency fee basis. If Tenant timely objects to a Statement and the parties do not resolve any dispute as to the correctness of such Statement within thirty (30) days following such notice of objection, either party may refer the issues raised to a nationally recognized public accounting firm selected by Landlord and reasonably acceptable to Tenant, and the decision of such accountants shall be conclusively binding upon Landlord and Tenant. In connection therewith, Tenant, such accountants and all other persons to whom Tenant gives any of the information obtained in connection with such review shall execute and deliver to Landlord a confidentiality agreement, in form and substance reasonably satisfactory to Landlord, whereby such parties agree not to disclose to any third party any of the information obtained in connection with such review. Tenant shall pay the fees and expenses relating to such procedure, unless such accountants determine that Landlord overstated Operating Expenses by more than five percent (5%) for such Comparison Year, in which case Landlord shall pay such fees and expenses of the accounting firm selected by Landlord and Tenant as set forth above. Notwithstanding the foregoing, Landlord acknowledges that Tenant is obligated to strictly comply with the Public Information Act, Chapter 552, *Texas Government Code*, in responding to any third party request for public information pertaining to this Lease and Tenant's compliance with the requirements of the Public Information Act shall not constitute a default under this Lease or any confidentiality agreement; provided, however, that Tenant shall provide prompt written notice to Landlord of any such request for information if required pursuant to the terms of such Public Information Act.

Section 7.5 Proration. If the Rent Commencement Date is not January 1st, Tenant's Tax Payment and Tenant's Operating Payment for the applicable Calendar Year shall be



apportioned on the basis of the number of days in the year from the Rent Commencement Date to the following December 31. If the Expiration Date occurs on a date other than December 31st, Tenant's Tax Payment and Tenant's Operating Payment for the Calendar Year in which such Expiration Date occurs shall be apportioned on the basis of the number of days in the period from January 1st to the Expiration Date. Upon the expiration or earlier termination of this Lease, any Additional Rent under this Article shall be adjusted or paid within thirty (30) days after submission of the Statement for the last Calendar Year.

Section 7.6 No Reduction in Rent. If Operating Expenses or Taxes for any Comparison Year are less than the Base Operating Expenses or the Base Taxes (as applicable), such occurrence shall not entitle Tenant to a refund or any other payment nor shall it result in a reduction in the Rent payable under this Lease nor shall Tenant be obligated to pay an Operating Payment or a Tax Payment, as applicable, for such Comparison Year.

ARTICLE 8 REQUIREMENTS OF LAW

Section 8.1 Compliance with Requirements.

(a) Subject to the provisions of Section 6.2 regarding repairs, Tenant, at Tenant's expense, shall comply with all Requirements applicable to the Premises; provided, however, that Tenant shall not be obligated to comply with any Requirements requiring any structural alterations to the Building unless the application of such Requirements arises from (i) the specific manner and nature of Tenant's use or occupancy of the Premises, as distinct from general office use, (ii) Alterations made by Tenant, or (iii) a breach by Tenant of any provisions of this Lease. Any such repairs or alterations shall be made at Tenant's expense (A) by Tenant in compliance with Article 5 if such repairs or alterations are nonstructural and do not affect any Base Building System, or (B) by Landlord if such repairs or alterations are structural or affect any Base Building System. If Tenant obtains knowledge of any failure to comply with any Requirements applicable to the Premises, Tenant shall give Landlord prompt notice thereof.

(b) Tenant shall not cause or permit (i) any Hazardous Materials to be brought onto the Project by any Tenant Party, (ii) the storage or use of Hazardous Materials by a Tenant Party in any manner other than in full compliance with any Requirements, or (iii) the escape, disposal or release of any Hazardous Materials within or in the vicinity of the Building by any Tenant Party. Nothing herein shall be deemed to prevent Tenant's use of any Hazardous Materials customarily used in the ordinary course of office work or in the construction of any Alterations; provided that, in either such case, such use is in accordance with all Requirements. Tenant shall be responsible, at Tenant's expense, for all matters directly or indirectly based on, or arising or resulting from the presence of Hazardous Materials at the Project which is caused or permitted by a Tenant Party. Tenant shall provide to Landlord copies of all communications received by Tenant with respect to any Requirements relating to Hazardous Materials, and/or any claims made in connection therewith. Landlord or its agents may perform environmental inspections of the Premises at any time upon reasonable prior notice (or without notice if Landlord believes an emergency exists).

(c) Landlord shall comply with (or cause to be complied with) all Requirements applicable to the Project which are not the obligation of Tenant as expressly set forth herein and which are not the obligation of any other tenant of the Building (except to the extent such non-compliance by such other tenants materially and adversely affects Tenant or its rights under this Lease).

(d) Tenant shall not cause or permit any action or condition that would (i) invalidate or conflict with Landlord's insurance policies, (ii) violate applicable rules, regulations and guidelines of the Fire Department or be inconsistent with the recommendations of any of the issuers of such policies or any other authority having jurisdiction over the Building, (iii) cause an increase in the premiums of fire insurance for the Building over that payable with respect to Comparable Buildings, or (iv) result in Landlord's insurance companies' refusing to insure the Building or any property therein in amounts and against risks as reasonably determined by Landlord. If fire insurance premiums increase as a result of Tenant's failure to comply with the provisions of this Section, Tenant shall promptly cure such failure and shall reimburse Landlord for the increased fire insurance premiums paid by Landlord as a result of such failure by Tenant.

Section 8.2 Fire and Life Safety. Any modifications to the Building fire alarm and life safety systems required by Tenant or completed as part of any Alterations shall be at Tenant's expense. If the Fire Insurance Rating Organization or any Governmental Authority or any of Landlord's insurers requires or recommends any modifications and/or alterations be made or any additional equipment be supplied in connection with the sprinkler system or fire alarm and life-safety system serving the Building by reason of Tenant's use of the Premises or any portion thereof for purposes other than for the Permitted Use, any Alterations performed by Tenant or the location of the partitions, Tenant's Property, or other contents of the Premises, Landlord (to the extent outside of the Premises) or Tenant (to the extent within the Premises) shall make such modifications and/or Alterations, and supply such additional equipment, in either case at Tenant's expense.

ARTICLE 9 SUBORDINATION

Section 9.1 Subordination and Attornment.

(a) This Lease is subject and subordinate to all Mortgages and Superior Leases, and, at the request of any Mortgagee or Lessor, Tenant shall attorn to such Mortgagee or Lessor, its successors in interest or any purchaser in a foreclosure sale.

(b) If a Lessor or Mortgagee or any other person or entity shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or the delivery of a new lease or deed, then at the request of the successor landlord and upon such successor landlord's written agreement to accept Tenant's attornment and to recognize Tenant's interest under this Lease, Tenant shall be deemed to have attorned to and recognized such successor landlord as Landlord under this Lease. The provisions of this Section are self-operative and require no further instruments to give effect hereto; provided, however, that Tenant

shall promptly execute and deliver any instrument that such successor landlord may reasonably request (i) evidencing such attornment, (ii) setting forth the terms and conditions of Tenant's tenancy, and (iii) containing such other terms and conditions as may be required by such Mortgagee or Lessor, provided such terms and conditions do not increase the Rent, materially increase Tenant's obligations or materially and adversely affect Tenant's rights under this Lease. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between such successor landlord and Tenant upon all of the terms, conditions and covenants set forth in this Lease except that such successor landlord shall not be:

(i) liable for any act or omission of Landlord (except to the extent such act or omission continues beyond the date when such successor landlord succeeds to Landlord's interest and Tenant gives notice of such act or omission);

(ii) subject to any defense, claim, counterclaim, set-off or offset which Tenant may have against Landlord;

(iii) bound by any prepayment of more than one month's Rent to any prior landlord;

(iv) bound by any obligation to make any payment to Tenant which was required to be made prior to the time such successor landlord succeeded to Landlord's interest;

(v) bound by any obligation to perform any work or to make improvements to the Premises except for (x) repairs and maintenance required to be made by Landlord under this Lease, and (y) repairs to the Premises as a result of damage by fire or other casualty or a partial condemnation pursuant to the provisions of this Lease, but only to the extent that such repairs can reasonably be made from the net proceeds of any insurance or condemnation awards, respectively, actually made available to such successor landlord;

(vi) bound by any modification, amendment, or renewal of this Lease made without successor landlord's consent;

(vii) liable for the repayment of any security deposit or surrender of any letter of credit, unless and until such security deposit actually is paid or such letter of credit is actually delivered to such successor landlord; or

(viii) liable for the payment of any unfunded tenant improvement allowance, refurbishment allowance or similar obligation.

(c) Tenant shall from time to time within fifteen (15) Business Days of request from Landlord execute and deliver any documents or instruments that may be reasonably required by any Mortgagee or Lessor to confirm any subordination.

Section 9.2 Mortgage or Superior Lease Defaults. Any Mortgagee may elect that this Lease shall have priority over the Mortgage and, upon notification to Tenant by such Mortgagee, this Lease shall be deemed to have priority over such Mortgage, regardless of the date of this Lease. In connection with any financing of the Project, Tenant shall consent to any

reasonable modifications of this Lease requested by any lending institution, provided such modifications do not increase the Rent, materially increase the obligations, or materially and adversely affect the rights, of Tenant under this Lease.

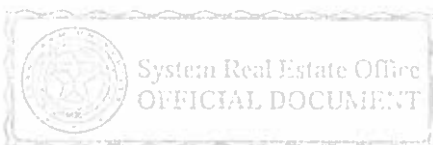
Section 9.3 Notice Obligation. To the extent (if any) that Tenant has or believes it has a right to terminate this Lease and Tenant desires to exercise such right, in addition to all other conditions precedent to such exercise set forth in this Lease, (i) Tenant shall give written notice of Tenant's election to terminate this Lease to all Lessors and/or Mortgagees (provided Tenant has received written notice of the name(s) and contact information for such Lessors and/or Mortgagees), and (ii) each such Lessor and/or Mortgagee shall have the right, but not the obligation, and a reasonable period of time after the expiration of any applicable notice and/or cure period to which Landlord might be entitled, to remedy any act, omission, event or condition giving rise to Tenant's termination right, which period shall continue so long as such Lessor and/or Mortgagee is diligently pursuing such remedy. The provisions of this Section are not intended to provide Tenant with any right to terminate this Lease.

Section 9.4 Provisions. The provisions of this Article shall (i) inure to the benefit of Landlord, any future owner of the Building or the Project, Lessor or Mortgagee and any sublessor thereof and (ii) apply notwithstanding that, as a matter of law, this Lease may terminate upon the termination of any such Superior Lease or Mortgage.

Section 9.5 Future Condominium Declaration. This Lease and Tenant's rights hereunder are and will be subject and subordinate to any condominium declaration, by-laws and other instruments (collectively, the "**Condominium Documents**") which may be recorded in order to subject the Building to a condominium form of ownership pursuant to the laws of the State, provided that the Condominium Documents do not by their terms increase the Rent, materially increase Tenant's obligations or materially and adversely affect Tenant's rights under this Lease. At Landlord's request, and subject to the foregoing proviso, Tenant will execute and deliver to Landlord an amendment of this Lease confirming such subordination and modifying this Lease to conform to such condominium regime.

ARTICLE 10 SERVICES

Section 10.1 Electricity. Subject to any Requirements or any public utility rules or regulations governing energy consumption, Landlord shall make or cause to be made, customary arrangements with utility companies and/or other suppliers of electricity to furnish electric current to the Premises for Tenant's use in accordance with the standards to which the Base Building Systems have been designed. If Landlord reasonably determines by the use of a check meter that Tenant is using electric current (including overhead fluorescent fixtures) in excess of 1.0 kilowatt hours per square foot of usable area in the Premises per month, as determined on an annualized basis, or 3.5 watts per useable square foot in the Premises of demand load ("**Excess Electrical Usage**"), then Landlord shall have the right to charge Tenant an amount equal to Landlord's reasonable estimate of Tenant's Excess Electrical Usage (based on such check meter reading), and shall have the further right to install a separate electric current meter, submeter or check meter in the Premises (a "**Meter**") to measure the amount of electric current consumed in



the Premises. The cost of such Meter, special conduits, wiring and panels needed in connection therewith and the installation, maintenance and repair thereof shall be paid by Tenant. Tenant shall pay to Landlord, from time to time, but no more frequently than monthly, for its Excess Electrical Usage at the Premises, plus Landlord's charge equal to ten percent (10%) of Tenant's Excess Electrical Usage for Landlord's costs of maintaining, repairing and reading such Meter. The rate to be paid by Tenant for Metered electricity shall include any taxes or other charges in connection therewith.

Section 10.2 Excess Electricity. Tenant shall at all times comply with the rules and regulations of the utility company supplying electricity to the Building. Tenant shall not use any electrical equipment which, in Landlord's reasonable judgment, would exceed the capacity of the electrical equipment serving the Premises or which interferes with the electrical service to other tenants of the Building. If Landlord reasonably determines that Tenant's electrical requirements necessitate installation of any additional risers, feeders or other electrical distribution equipment (collectively, "**Electrical Equipment**"), or if Tenant provides Landlord with evidence reasonably satisfactory to Landlord of Tenant's need for excess electricity and requests that additional Electrical Equipment be installed, Landlord shall, at Tenant's expense, install such additional Electrical Equipment, provided that Landlord reasonably determines that (i) such installation is practicable and necessary, (ii) such additional Electrical Equipment is permissible under applicable Requirements, and (iii) the installation of such Electrical Equipment will not cause permanent damage to the Building or the Premises, cause or create a hazardous condition, entail excessive or unreasonable alterations, interfere with or limit electrical usage by other tenants or occupants of the Building or exceed the limits of the switchgear or other facilities serving the Building, or require power in excess of that available from the utility company serving the Building.

Section 10.3 Elevators. Landlord shall provide passenger elevator service for the Premises 24 hours per day, 7 days per week; provided, however, Landlord may limit passenger elevator service during non-Business Hours (as defined in **Exhibit "B" – Definitions**). Landlord shall provide at least one freight elevator service for the Premises upon Tenant's prior request, on a non-exclusive "first come, first serve" basis with other Building tenants, on all Business Days (as defined in **Exhibit "B" – Definitions**) during such reasonable hours and for such reasonable charge as Landlord establishes from time to time.

Section 10.4 Heating, Ventilation and Air Conditioning. Landlord shall furnish to the Premises during Business Hours heating, ventilation and air-conditioning ("**HVAC**") in accordance with the standards to which the Base Building Systems have been designed. Landlord shall have access to all air-cooling, fan, ventilating and machine rooms and electrical closets and all other mechanical installations of Landlord (collectively, "**Mechanical Installations**"), and Tenant shall not construct partitions or other obstructions which may interfere with Landlord's access thereto or the moving of Landlord's equipment to and from the Mechanical Installations. No Tenant Party shall at any time enter the Mechanical Installations or tamper with, adjust, or otherwise affect such Mechanical Installations. Landlord shall not be responsible if the HVAC System fails to provide cooled or heated air, as the case may be, to the Premises in accordance with the standards to which the Base Building Systems have been designed by reason of (i) any equipment installed by, for or on behalf of Tenant, which has an

electrical load in excess of the average electrical load and human occupancy factors for the HVAC System as designed, or (ii) any rearrangement of partitioning or other Alterations made or performed by, for or on behalf of Tenant. After Landlord delivers the Premises to Tenant in the condition required hereunder (which condition shall include the installation of Building standard window blinds and/or shades), Tenant shall install, if missing, blinds or shades on all windows, which blinds and shades shall be subject to Landlord's reasonable approval, and shall keep operable windows in the Premises closed, and lower the blinds when necessary because of the sun's position, whenever the HVAC System is in operation or as and when required by any Requirement. Tenant shall cooperate with Landlord and shall abide by the rules and regulations which Landlord may reasonably prescribe for the proper functioning and protection of the HVAC System.

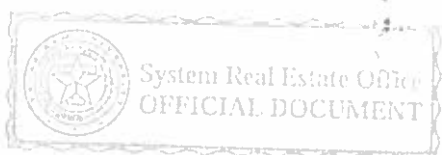
Section 10.5 Supplemental Heating, Ventilation and Air Conditioning. Landlord acknowledges that Tenant desires to install a supplemental HVAC Unit (as defined below) to serve the Premises. Subject to compliance with all applicable laws, ordinances and governmental approvals (the compliance with which, including the procurement of all necessary permits and licenses, is Tenant's responsibility), and subject to the availability of space and approval of the Building's engineer, Tenant shall have the non-exclusive right to install a Supplemental HVAC Unit. The location for the Supplemental HVAC Unit (the "Supplemental HVAC Unit Space") shall be designated by Landlord, which space shall be deemed to be part of the Premises under the terms of the Lease for purposes of Tenant's indemnity, insurance and other obligations under this Lease (other than the obligations to pay Fixed Rent and Expenses and except that the use made of the Supplemental HVAC Unit Space shall only be for the installation, maintenance and removal, if required, of the Supplemental HVAC Unit). Tenant must obtain the prior approval of Landlord for the location, appearance of, exact design and specifications of, and plans for the installation (including screening) of the Supplemental HVAC Unit. If the Premises or any portion thereof is at any time served by any supplemental heating, ventilation and air conditioning unit(s) (whether one or more, but exclusive of any units that are part of the base Building HVAC System, the "**Supplemental HVAC Units**"), (a) if the Supplemental HVAC Unit taps into the base Building HVAC System condenser water loop Tenant shall pay Landlord within thirty (30) days after Landlord gives Tenant an invoice therefor, (i) a one-time fee of \$1,000 per ton for each Supplemental HVAC Unit for tapping into the base Building HVAC System condenser water loop; and (ii) on a monthly basis, a charge of \$10.00 per ton for each Supplemental HVAC Unit; (b) Tenant, at Tenant's expense, shall install an electric submeter for the Supplemental HVAC Unit(s) concurrently with Tenant's installation of such Supplemental HVAC Unit(s); (c) Landlord shall read the submeter (with Tenant providing Landlord with reasonable access thereto) and Tenant shall pay to Landlord all electricity charges (including any taxes and other fees associated with such electricity charges) measured on such submeter within thirty (30) days after receipt of an invoice therefor; (d) Tenant, at Tenant's expense, shall at all times maintain a Supplemental HVAC Unit(s) service contract with a firm and upon such terms as may be reasonably satisfactory to Landlord; (e) Tenant shall provide Landlord with such documentation and other evidence as Landlord might reasonably request from time to time to demonstrate Tenant's proper maintenance of the Supplemental HVAC Unit(s) including, without limitation, Tenant's compliance with all of equipment manufacturer's warranties, rules and requirements with respect to the Supplemental HVAC Unit(s); and (f) in no event shall Landlord



be liable for, and, to the extent permitted by the Constitution and the laws of the State of Texas, Tenant hereby waives any claim for, any Losses and other damages (whether direct, indirect, consequential or punitive damages, including loss of profits or business opportunity) to persons, property, equipment or otherwise arising in connection with the base Building HVAC System including any failure of the base Building HVAC System condenser water loop and/or any equipment related thereto to operate as such loop and/or equipment was designed to operate and regardless of the cause of such failure. All costs of installation, maintenance and removal, if required, and any required repairs to the Building due to such removal shall be paid by Tenant. Tenant shall carry out its obligations hereunder in accordance with such reasonable standards for the installation, maintenance and removal, if required, thereof as Landlord may from time to time reasonably designate. Any fuel associated therewith must be stored, transported and disposed of in accordance with all applicable laws, ordinances and governmental approvals. Tenant may use any such Supplemental HVAC Unit for its own personal use (and the use of its occupants) only and may not allow any third party, other than a permitted assignee or sublessee, to use or share any Supplemental HVAC Unit facilities. Upon either: (i) the occurrence of an event of default by Tenant that has continued beyond all applicable notice and cure periods, (ii) the expiration or earlier termination of the Lease, or (iii) the assignment of the Lease or sublet of all or substantially all of the Premises, Tenant shall, at Landlord's election, relinquish the Supplemental HVAC Unit to Landlord or shall at Tenant's sole cost remove the Supplemental HVAC Unit, repair all injury or damage resulting from such removal and restore the Premises and the Building to their original condition, reasonable wear and tear and casualty excepted, at Tenant's sole cost and expense. Notwithstanding the foregoing to the contrary, Landlord shall have the right to elect to have Tenant abandon the Supplemental HVAC Unit, or in the alternative abandon only the connection lines and other infrastructure connecting the Supplemental HVAC Unit to the Premises at Landlord's election, in which event the unit or such lines and infrastructure, as applicable, shall be deemed to be the property of Landlord upon the expiration or earlier termination of this Lease. Upon completion of the connection of such HVAC system to the Building's HVAC systems, Tenant shall be responsible for the reasonable cost to test and balance such system by Landlord's designated testing and balancing engineer for the Building.

Section 10.6 Overtime HVAC. The Fixed Rent does not include any charge to Tenant for the furnishing of HVAC to the Premises during non-Business Hours ("**Overtime Periods**"). If Tenant desires HVAC services during Overtime Periods, Tenant shall be able to request such overtime as needed by accessing the Building Management Control System and automatically requesting Overtime HVAC by zone and for a specified time period. An access code will be required and Tenant will be charged for all requests authorized by their specific access code. If Landlord furnishes HVAC service during Overtime Periods, Tenant shall pay to Landlord the cost thereof at Landlord's then established rate for such service in the Building. The current overtime rate is \$125 per hour per zone.

Section 10.7 Cleaning. Landlord shall cause the Premises (excluding any portions thereof used for the storage, preparation, service or consumption of food or beverages (except for pantries, which Landlord shall clean in accordance with the applicable provisions of **Exhibit "D" - Cleaning Specifications**); as an exhibition area or classroom; for storage; as a shipping room,



mail room or for similar purposes; for private bathrooms, showers or exercise facilities; as a trading floor; primarily for operation of computer, data processing, reproduction, duplicating or similar equipment; and portions of the Premises that include any improvements or property that require non-standard office cleaning supplies, materials, procedures, labor or service, such as paintings and other works of art) to be cleaned, substantially in accordance with the standards set forth in **Exhibit "D" - Cleaning Specifications**. Landlord reserves the right to reasonably modify such standards from time-to-time provided that Landlord's cleaning standards shall be reasonably consistent with those provided in Comparable Buildings (as defined in **Exhibit "B" - Definitions**). Any areas of the Premises which Landlord is not required to clean hereunder or which require additional cleaning shall be cleaned, at Tenant's expense, by Landlord's cleaning contractor for such additional charge as Landlord's cleaning contractor might require from time to time. Landlord's cleaning contractor and its employees shall have access to the Premises at all times except between 8:00 a.m. and 5:30 p.m. on weekdays which are not Holidays (as defined in **Exhibit "B" - Definitions**).

Section 10.8 Water. Landlord shall provide water in the core lavatories, drinking fountains and janitor's closets on each floor of the Building. If Tenant requires water in excess of that used by a normal office building tenant of similar size using its premises for normal office use, Tenant shall pay for the cost of bringing water to the Premises and Landlord may install a meter to measure the water. Tenant shall pay the cost of such installation, and for all maintenance, repairs and replacements thereto, and for the reasonable charges of Landlord for the water consumed.

Section 10.9 Refuse Removal. Landlord shall provide refuse removal services at the Building for ordinary office refuse and rubbish. Tenant shall pay to Landlord, Landlord's reasonable charge for such removal to the extent that the refuse generated by Tenant exceeds the refuse customarily generated by general office tenants. Tenant shall not dispose of any refuse in the Common Areas, and if Tenant does so, Tenant shall be liable for Landlord's reasonable charge for such removal. Tenant shall, at Tenant's expense, comply with all present and reasonable future Requirements regarding the collection, sorting, separation, and recycling of trash. Each separately sorted category of trash shall be placed in separate receptacles as directed by Landlord.

Section 10.10 Signage.

(a) Landlord shall list Tenant on at least one of the Building directories located in the first (1st) floor lobby of the Building. The Building directory listing Tenant's name will be shared with other Building tenants and space on the directory shall be equitably apportioned amongst the tenants. Tenant acknowledges that Landlord has installed Building standard suite entry signage at the principal suite entry location at the Premises and Tenant accepts such signage in its "as is" condition as of the Effective Date.

(b) Provided (i) Tenant is leasing at least one (1) full floor of the Building, (ii) Tenant remains one (1) of the three (3) largest tenants in the Building, (iii) Tenant is not subleasing any portion of the Premises, (iv) Landlord provides exterior signage rights to other tenants of the Building, and (v) no uncured Event of Default exists hereunder, then subject to the

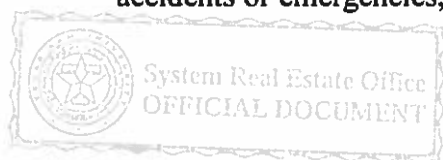


rights of other tenants of the Building, Tenant shall have the non-exclusive right to affix a sign displaying Tenant's trade name to the exterior of the Building near the entrance to the Building; provided, however, that (A) Tenant, at its sole cost, shall fabricate, install, maintain and operate such sign in first-class condition and repair, (B) Tenant, at Tenant's sole cost, shall obtain all necessary government, community, and other permits and approvals (including, without limitation, the approval of any tenant, business, or other association) and deliver the same to Landlord prior to commencing installation of such sign; (C) the size, materials, color, design, location, manner of installation and other aspects of such sign shall be acceptable to Landlord in its sole discretion; (D) all costs related to such sign shall be borne by Tenant; and (E) Tenant, at Tenant's expense, shall remove such sign (including, at Landlord's option, any appurtenances thereto) at the expiration or earlier termination of the Term (or at such earlier time that Tenant's signage rights may expire) and repair any damage caused by the sign, or removal thereof, and restore the affected area to the condition that existed prior to the installation of the sign. The right to place any and all exterior signage on the Building is non-exclusive and shall be exercised in accordance with the requirements of all local regulatory authorities, in compliance with all Requirements, and subject to any and all owner's association and other covenants, conditions and restrictions affecting the Building. Tenant's rights under this Section are personal to the Board of Regents of The Texas A&M University System and may not be exercised by any subtenant or assignee of the Board of Regents of The Texas A&M University System (other than an assignee that is a Permitted Transferee). If at any time or times during the Term of this Lease Landlord implements a Building-standard signage program for exterior ground floor signage (including without limitation awning or canopy installations) or modifications thereto, Tenant shall comply with any such Landlord-implemented Building-standard signage program or modifications thereto and the installation of any signage with respect thereto. Notwithstanding the foregoing, any modifications required to existing building signage due to an implemented Building-standard signage program will be at Landlord's sole cost and expense.

Section 10.11 Tenant Access to Premises. Tenant shall have access to the Premises 24 hours a day, 7 days a week. Outside of Business Hours (as defined in **Exhibit "B" – Definitions**), Building and floor access will be monitored by an electronic card or key security and access system or any such successor system installed and maintained by Landlord. The Premises is currently equipped with an access control system; however, Tenant shall be responsible for activating such system and paying any charges associated with the use of such system, including any maintenance, repair and/or replacement costs.

Section 10.12 Telecommunications. If Tenant requests that Landlord grant access to the Building to a telecommunications service provider designated by Tenant for purposes of providing telecommunications services to Tenant, Landlord shall use its good faith efforts to respond to such request within ten (10) Business Days. Tenant acknowledges that nothing set forth in this Section shall impose any affirmative obligation on Landlord to grant such request and that Landlord, in its sole discretion, reasonably exercised, shall have the right to determine which telecommunications service providers shall have access to Building facilities.

Section 10.13 Service Interruptions. Landlord reserves the right to suspend any service when necessary, by reason of Unavoidable Delays (as defined in **Exhibit "B" – Definitions**), accidents or emergencies, or for Restorative Work which, in Landlord's reasonable judgment, are



necessary or appropriate until such Unavoidable Delay, accident or emergency shall cease or such Restorative Work is completed and Landlord shall not be liable for any interruption, curtailment or failure to supply services. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises as a result of any such interruption, curtailment or failure or defect in any such service, or change in the supply, character and/or quantity of, electrical service, and to restore any such services, remedy such situation and minimize any interference with Tenant's business. The exercise of any such right or the occurrence of any such failure by Landlord shall not constitute an actual or constructive eviction, in whole or in part, entitle Tenant to any compensation, abatement or diminution of Rent, relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord or any Indemnified Party by reason of inconvenience to Tenant, or interruption of Tenant's business, or otherwise. Landlord shall not be liable in any way to Tenant for any failure, defect or interruption of, or change in the supply, character and/or quantity of electrical service furnished to the Premises for any reason except if attributable to the gross negligence or willful misconduct of Landlord. The foregoing notwithstanding, if any failure or stoppage of Landlord's services under this Lease (i) precludes Tenant from having reasonable access to the Premises or renders the Premises or any portion thereof untenable for the normal conduct of Tenant's business in all or a portion of the Premises and, in either such case, Tenant has ceased using the Premises or the affected portion thereof; (ii) was not caused by Tenant, its employees, invitees or agents; and (iii) extends for a period longer than five (5) consecutive Business Days, Tenant's obligation to pay Fixed Rent, Tenant's Tax Payment and Tenant's Operating Payment for the affected portion of the Premises shall be abated beginning on the sixth (6th) Business Day following the date the aforementioned conditions are met and shall continue with respect to the Premises or the affected portion thereof (as applicable) until the conditions described in clause (i) no longer exist. In the event of a casualty or a Taking, the applicable provisions of this Lease shall prevail over the rent abatement provisions of this Section.

Section 10.14 Service Additions and Omissions. Except with respect to the services that Landlord otherwise expressly agrees to provide under this Lease, Landlord shall have the right to add, modify and/or curtail any Building services as Landlord determines appropriate from time to time in Landlord's sole discretion. All of the services to be provided to Tenant pursuant to this Article are only to be provided from and after the date Tenant takes occupancy of the Premises for the conduct of its business.

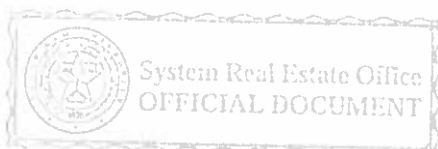
ARTICLE 11

INSURANCE; PROPERTY LOSS OR DAMAGE

Section 11.1 Tenant's Insurance.

(a) Tenant, at Tenant's expense, shall obtain and keep in full force and effect during the Term:

(i) a policy of commercial general liability insurance on an occurrence basis (utilizing then current ISO forms or equivalent) against claims for contractual liability, personal injury, bodily injury, death and/or property damage occurring in or about the Building, under which Tenant is named as the insured and Landlord, Landlord's Agent and any Lessors and



any Mortgagees whose names have been furnished to Tenant are named as additional insureds (the “**Insured Parties**”). Such insurance shall provide primary coverage without contribution from any other insurance carried by or for the benefit of the Insured Parties. The minimum limits of liability provided in any combination by a commercial general liability policy and excess liability or umbrella policy applying exclusively to the Premises shall be a combined single limit with respect to each occurrence and in the aggregate in an amount of not less than \$5,000,000; provided, however, that Landlord shall retain the right to require Tenant to increase such coverage from time to time to that amount of insurance which in Landlord’s reasonable judgment is then being customarily required by landlords for similar office space in Comparable Buildings. The deductible or self insured retention for such policy shall not exceed \$10,000;

(ii) insurance against loss or damage by fire, and such other risks and hazards as are insurable under then available standard forms of “Special Form Causes of Loss” or “All Risk” property insurance policies, insuring Tenant’s Property and all Alterations and improvements to the Premises (including the initial Tenant Improvements) to the extent such Alterations and improvements exceed the cost of the improvements typically performed in connection with the initial occupancy of tenants in the Building (“**Building Standard Installations**”), for the full insurable value thereof or replacement cost thereof, having a deductible amount, if any, not in excess of \$25,000;

(iii) prior to and during the performance of any Alterations (other than Decorative Alterations), until completion thereof, Builder’s Risk insurance on an “all risk” basis and on a completed value form including a Permission to Complete and Occupy endorsement, for full replacement value covering the interest of Landlord and Tenant (and their respective contractors and subcontractors) in all work incorporated in the Building and all materials and equipment in or about the Premises, Workers’ Compensation and Employer’s Liability Insurance (covering all persons to be employed by Tenant, and Tenant’s contractors and subcontractors in connection with such Alterations) and commercial general liability (including property damage coverage) insurance, all in such form, for such periods, in such amounts and with such companies as Landlord may reasonably require, naming Landlord, Landlord’s Agent and any Mortgagee (of which Tenant has been given notice) as additional insureds to all policies except the Workers’ Compensation and Employer’s Liability Insurance policy;

(iv) Workers’ Compensation Insurance, as required by law and Employers Liability Insurance in the amount of not less than \$500,000;

(v) Business Interruption/Rental Insurance; and

(vi) such other insurance in such amounts as the Insured Parties may reasonably require from time to time.

(b) All insurance required to be carried by Tenant (i) shall contain a provision that (x) no act or omission of Tenant shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained, and (y) shall be noncancellable and/or no material change in coverage shall be made thereto unless the Insured Parties receive thirty (30) days’ prior notice of the same, by certified mail, return receipt requested, and (ii) shall be effected under



valid and enforceable policies issued by reputable insurers permitted to do business in the State and rated in Best's Key Rating Guide, or any successor thereto as having a "Best's Rating" of "A-" or better and a "Financial Size Category" of at least "X" or better or, if such ratings are not then in effect, the equivalent thereof or such other financial rating as Landlord may at any time reasonably consider appropriate.

(c) On or prior to the Commencement Date, Tenant shall deliver to Landlord appropriate policies of insurance, including evidence of waivers of subrogation required to be carried pursuant to this Article and that the Insured Parties are named as additional insureds (the "Policies"). Evidence of each renewal or replacement of the Policies shall be delivered by Tenant to Landlord at least ten (10) days prior to the expiration of the Policies. In lieu of the Policies, Tenant may deliver to Landlord a certification from Tenant's insurance company (on the form currently designated "Acord 27" (Evidence of Property Insurance) and "Acord 25-S" (Certificate of Liability Insurance), or the equivalent, provided that attached thereto is an endorsement to Tenant's commercial general liability policy naming the Insured Parties as additional insureds) which shall be binding on Tenant's insurance company, and which shall expressly provide that such certification (i) conveys to the Insured Parties all the rights and privileges afforded under the Policies as primary insurance, and (ii) contains an unconditional obligation of the insurance company to advise all Insured Parties in writing by certified mail, return receipt requested, at least thirty (30) days in advance of any termination or change to the Policies that would affect the interest of any of the Insured Parties.

(d) Landlord acknowledges that, because Tenant is an agency of the State of Texas, liability for the tortious conduct of the agents and employees of Tenant or for injuries caused by conditions of tangible state property is provided for solely by the provisions of the Texas Tort Claims Act (Texas Civil Practice and Remedies Code, Chapters 101 and 104), and that Workers' Compensation Insurance coverage for employees of Tenant is provided by Tenant as mandated by the provisions of the Texas Labor Code, Chapter 502. Accordingly, notwithstanding anything in this Section 11.1 or elsewhere in this Lease to the contrary, so long as Tenant is an agency of the State of Texas, Tenant shall not be obligated to maintain any of the insurance coverages described in this Section 11.1. Tenant shall have the right, at its option, to (i) obtain liability insurance protecting Tenant and its employees and property insurance protecting Tenant's property in the Premises, to the extent authorized by Section 51.966 of the Texas Education Code or other law; or (ii) self-insure against any risk that may be incurred by Tenant as a result of its operations under this Lease. For purposes of any waiver provisions contained in this Lease, however, all such risks with respect to which Tenant elects not to carry insurance shall be treated as though they were covered by valid and collectible policies of insurance.

Section 11.2 Waiver of Subrogation.

(a) Landlord and Tenant shall each procure an appropriate clause in or endorsement to any property insurance covering the Project and personal property, fixtures and equipment located therein, wherein the insurer waives subrogation or consents to a waiver of

right of recovery. So long as Tenant is an agency of the State of Texas, the provisions of this Section 11.2(a) shall not be applicable to Tenant.

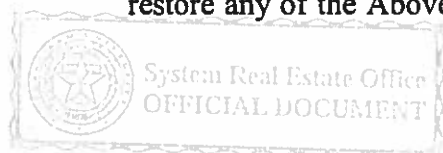
(b) Landlord and Tenant (to the extent permitted by the Constitution and the laws of the State of Texas) agree not to make any claim against, or seek to recover from, the other for any loss or damage to its property or the property of others resulting from fire or other hazards to the extent covered (or would have been covered if the party had obtained and maintained the insurance it was required to carry under this Lease) by the property insurance that was required to be carried by that party under the terms of this Lease.

(c) Tenant acknowledges that Landlord shall not carry insurance on, and shall not be responsible for, (i) damage to any Above Building Standard Installations, (ii) Tenant's Property, and (iii) any loss suffered by Tenant due to interruption of Tenant's business.

Section 11.3 Restoration.

(a) If the Premises are damaged by fire or other casualty, or if the Building is damaged such that Tenant is deprived of reasonable access to the Premises, the damage shall be repaired by Landlord, to substantially the condition of the Premises prior to the damage, subject to the provisions of any Mortgage or Superior Lease and only to the extent that such repairs can reasonably be made from the net proceeds of any insurance actually received by Landlord, but Landlord shall have no obligation to repair or restore (i) Tenant's Property or (ii) except as provided in Section 11.3(b), any Alterations or improvements to the Premises, to the extent such Alterations or improvements exceed Building Standard Installations ("**Above Building Standard Installations**"). So long as Tenant is not in default beyond applicable grace or notice provisions in the payment or performance of its obligations under this Section, and provided Tenant timely delivers to Landlord either Tenant's Restoration Payment (as hereinafter defined) or the Restoration Security (as hereinafter defined) or Tenant expressly waives any obligation of Landlord to repair or restore any of Tenant's Above Building Standard Installations, then until the restoration of the Premises is Substantially Completed or would have been Substantially Completed but for Tenant Delay, Fixed Rent, Tenant's Tax Payment and Tenant's Operating Payment shall be reduced in the proportion by which the area of the part of the Premises which is not usable (or accessible) and is not used by Tenant bears to the total area of the Premises.

(b) As a condition precedent to Landlord's obligations to repair or restore any Above Building Standard Installations, Tenant shall (i) pay to Landlord upon demand a sum ("**Tenant's Restoration Payment**") equal to the amount, if any, by which (A) the cost, as reasonably estimated by a reputable independent contractor designated by Landlord, of repairing and restoring all Alterations and Tenant Improvements in the Premises to their condition prior to the damage, exceeds (B) the cost of restoring the Premises with Building Standard Installations, or (ii) furnish to Landlord security (the "**Restoration Security**") in form and amount reasonably acceptable to Landlord to secure Tenant's obligation to pay all costs in excess of restoring the Premises with Building Standard Installations. If Tenant fails to deliver to Landlord either (1) Tenant's Restoration Payment or the Restoration Security, as applicable, or (2) a waiver by Tenant, in form reasonably satisfactory to Landlord, of all of Landlord's obligations to repair or restore any of the Above Building Standard Installations, in either case within five (5) Business



Days after Landlord's demand therefor, Landlord shall have no obligation to restore any Above Building Standard Installations and Tenant's abatement of Fixed Rent, Tenant's Tax Payment and Tenant's Operating Payment shall cease when the restoration of the Premises (other than any Above Building Standard Installations) is Substantially Complete.

Section 11.4 Landlord's Termination Right. Notwithstanding anything to the contrary contained in Section 11.3, if the Premises are totally damaged or are rendered wholly untenable, or if the Building shall be so damaged that, in Landlord's reasonable opinion, substantial alteration, demolition, or reconstruction of the Building shall be required (whether or not the Premises are so damaged or rendered untenable), then in either of such events, Landlord may, not later than sixty (60) days following the date of the damage, terminate this Lease by notice to Tenant, provided that if the Premises are not materially damaged, Landlord may not terminate this Lease unless Landlord similarly terminates the leases of other tenants in the Building aggregating at least fifty percent (50%) of the portion of the Building occupied for office purposes immediately prior to such damage. If this Lease is so terminated, (i) the Term shall expire upon the thirtieth (30th) day after such notice is given, (ii) Tenant shall vacate the Premises and surrender the same to Landlord, (iii) Tenant's liability for Rent shall cease as of the date of the damage, and (iv) any prepaid Rent for any period after the date of the damage shall be promptly refunded by Landlord to Tenant.

Section 11.5 Tenant's Termination Right. If the Premises are totally damaged and are thereby rendered wholly untenable, or if the Building shall be so damaged that Tenant is deprived of reasonable access to the Premises, and if Landlord elects to restore the Premises, Landlord shall, within sixty (60) days following the date of the damage, cause a contractor or architect selected by Landlord to give notice (the "**Restoration Notice**") to Tenant of the date by which such contractor or architect estimates the restoration of the Premises (excluding any Above Building Standard Installations) shall be Substantially Completed. If such date, as set forth in the Restoration Notice, is more than fifteen (15) months from the date of such damage, then Tenant shall have the right to terminate this Lease by giving notice (the "**Termination Notice**") to Landlord not later than thirty (30) days following delivery of the Restoration Notice to Tenant. If Tenant delivers a Termination Notice, this Lease shall be deemed to have terminated as of the date of the giving of the Termination Notice, in the manner set forth in the second sentence of Section 11.4.

Section 11.6 Final 18 Months. Notwithstanding anything to the contrary in this Article, if any damage during the final eighteen (18) months of the Term renders the Premises wholly untenable, either Landlord or Tenant may terminate this Lease by notice to the other party within thirty (30) days after the occurrence of such damage and this Lease shall expire on the thirtieth (30th) day after the date of such notice. For purposes of this Section, the Premises shall be deemed wholly untenable if Tenant shall be precluded from using more than fifty percent (50%) of the Premises for the conduct of its business and Tenant's inability to so use the Premises is reasonably expected to continue for more than ninety (90) days.

Section 11.7 Landlord's Liability. Any Building employee to whom any property shall be entrusted by or on behalf of Tenant shall be deemed to be acting as Tenant's agent with respect to such property and neither Landlord nor its agents shall be liable for any damage to



such property, or for the loss of or damage to any property of Tenant by theft or otherwise. None of the Insured Parties shall be liable for any injury or damage to persons or property or interruption of Tenant's business resulting from fire or other casualty, any damage caused by other tenants or persons in the Building or Parking Facility or by construction of any private, public or quasi-public work, or any latent defect in the Premises or in the Building or Parking Facility (except that Landlord shall be required to repair the same to the extent provided in Article 6). No penalty shall accrue for delays which may arise by reason of adjustment of fire insurance on the part of Landlord or Tenant, or for any Unavoidable Delays arising from any repair or restoration of any portion of the Building, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises during the performance of any such repair or restoration.

ARTICLE 12 EMINENT DOMAIN

Section 12.1 Taking.

(a) **Total Taking.** If all or substantially all of the Project, the Building or the Premises shall be acquired or condemned for any public or quasi-public purpose (a "**Taking**"), this Lease shall terminate and the Term shall end as of the date of the vesting of title and Rent shall be prorated and adjusted as of such date.

(b) **Partial Taking.** Upon a Taking of only a part of the Project, the Building or the Premises then, except as hereinafter provided in this Article, this Lease shall continue in full force and effect, provided that from and after the date of the vesting of title, Fixed Rent and Tenant's Proportionate Share shall be modified to reflect the reduction of the Premises and/or the Building as a result of such Taking.

(c) **Landlord's Termination Right.** Whether or not the Premises are affected, Landlord may, by notice to Tenant, within sixty (60) days following the date upon which Landlord receives notice of the Taking of all or a portion of the Project, the Building or the Premises, terminate this Lease, provided that Landlord elects to terminate leases (including this Lease) affecting at least fifty percent (50%) of the portion of the Building occupied for office purposes immediately prior to such taking.

(d) **Tenant's Termination Right.** If the part of the Project so Taken contains more than ten percent (10%) of the total area of the Premises occupied by Tenant immediately prior to such Taking, or if, by reason of such Taking, Tenant no longer has reasonable means of access to the Premises, Tenant may terminate this Lease by notice to Landlord given within thirty (30) days following the date upon which Tenant is given notice of such Taking. If Tenant so notifies Landlord, this Lease shall end and expire upon the thirtieth (30th) day following the giving of such notice. If a part of the Premises shall be so Taken and this Lease is not terminated in accordance with this Section, Landlord, without being required to spend more than it collects as an award, shall, subject to the provisions of any Mortgage or Superior Lease (as defined in **Exhibit "B" – Definitions**), restore that part of the Premises not so Taken to a self-contained rental unit substantially equivalent (with respect to character, quality, appearance and services) to

that which existed immediately prior to such Taking, excluding Tenant's Property and Above Building Standard Installations.

(e) **Apportionment of Rent.** Upon any termination of this Lease pursuant to the provisions of this Article, Rent shall be apportioned as of, and shall be paid or refunded up to and including, the date of such termination.

Section 12.2 Awards. Upon any Taking, Landlord shall receive the entire award for any such Taking, and Tenant shall have no claim against Landlord or the condemning authority for the value of any unexpired portion of the Term or Tenant's Alterations; and Tenant hereby assigns to Landlord all of its right in and to such award. Nothing contained in this Article shall be deemed to prevent Tenant from making a separate claim in any condemnation proceedings for the then value of any Tenant's Property or Above Building Standard Installations included in such Taking and for any moving expenses, provided any such award is in addition to, and does not result in a reduction of, the award made to Landlord.

Section 12.3 Temporary Taking. If all or any part of the Premises is Taken temporarily during the Term for less than thirty (30) consecutive days for any public or quasi-public use or purpose, Tenant shall give prompt notice to Landlord and the Term shall not be reduced or affected in any way and Tenant, to the extent permitted by the Constitution and the laws of the State of Texas, shall continue to pay all Rent payable by Tenant during such temporary Taking without reduction or abatement and to perform all of its other obligations under this Lease, except to the extent prevented from doing so by the condemning authority, and Tenant shall be entitled to receive any award or payment from the condemning authority for such use.

ARTICLE 13

ASSIGNMENT AND SUBLETTING

Section 13.1 Consent Requirements.

(a) Except as expressly set forth herein, Tenant shall not assign, mortgage, pledge, encumber, or otherwise transfer this Lease, whether by operation of law or otherwise, and shall not sublet, or permit, or suffer the Premises or any part thereof to be used or occupied by others (whether for desk space, mailing privileges or otherwise), without Landlord's prior consent in each instance, which consent shall not be unreasonably withheld, conditioned or delayed as provided in Section 13.3.

Any assignment, sublease, mortgage, pledge, encumbrance or transfer in contravention of the provisions of this Article shall be void and shall constitute an Event of Default.

(b) If, without Landlord's consent, this Lease is assigned, or any part of the Premises is sublet or occupied by anyone other than Tenant or this Lease is encumbered (by operation of law or otherwise), Landlord may collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the Rent herein reserved. No such collection shall be deemed a waiver of the provisions of this Article, an acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the performance of Tenant's



covenants hereunder, and in all cases Tenant shall remain fully liable for its obligations under this Lease.

(c) Landlord's consent to any assignment or subletting shall not relieve Tenant from the obligation to obtain Landlord's consent to any further assignment or subletting. In no event shall any permitted subtenant assign or encumber its sublease or further sublet any portion of its sublet space, or otherwise suffer or permit any portion of the sublet space to be used or occupied by others.

Section 13.2 Tenant's Notice. If Tenant desires to assign this Lease or sublet all or any portion of the Premises and Landlord's consent thereto is required under this Lease, Tenant shall give notice thereof to Landlord, which shall be accompanied by (i) with respect to an assignment of this Lease, the date Tenant desires the assignment to be effective, and (ii) with respect to a sublet of all or a part of the Premises, a description of the portion of the Premises to be sublet and the commencement date of such sublease. Such notice shall be deemed an irrevocable thirty (30) day offer from Tenant to Landlord of the right, at Landlord's option, (A) if the proposed transaction is an assignment of this Lease, to terminate this Lease with respect to the entire Premises, (B) if the proposed transaction is a sublease of fifty percent (50%) or more of the rentable square footage of the Premises (inclusive of any then subleased space at the Premises and any proposed sublease space) to a non-Related Entity or the term of such sublease (including any extension options provided for under the sublease) would exceed ninety percent (90%) of the then remaining Term of this Lease (without regard to any then unexercised extension options under this Lease, but considering all extension options granted under the proposed sublease), to terminate this Lease with respect to the entire Premises, or (C) if Landlord elects not to exercise its termination right under clause (B) or if the proposed transaction is a sublease that does not fall within the criteria set forth in clause (B), to terminate this Lease with respect to the space that Tenant proposes to sublease (the "**Partial Space**"). Such option may be exercised by notice from Landlord to Tenant within thirty (30) days after delivery of Tenant's notice. If Landlord exercises its option to terminate all or a portion of this Lease, (1) this Lease shall end and expire with respect to all or a portion of the Premises, as the case may be, on the date that such assignment or sublease was to commence, provided that such date is in no event earlier than ninety (90) days after the date Landlord receives the above notice unless Landlord agrees to such earlier date, (2) Rent shall be apportioned, paid or refunded as of such date, (3) Tenant, upon Landlord's request, shall enter into an amendment of this Lease ratifying and confirming such total or partial termination, and setting forth any appropriate modifications to the terms and provisions hereof, and (4) Landlord shall be free to lease the Premises (or any part thereof) to Tenant's prospective assignee or subtenant. Tenant shall pay all costs to make the Partial Space a self-contained rental unit and to install any required Building corridors.

Section 13.3 Conditions to Assignment/Subletting.

(a) If Landlord does not exercise its termination option under Section 13.2 or if Landlord otherwise does not have a termination option, then provided that no Event of Default then exists, Landlord's consent to the proposed assignment or subletting shall not be unreasonably withheld, conditioned or delayed. Such consent shall be granted or denied within thirty (30) days after delivery to Landlord of (i) a true and complete statement reasonably

detailing the identity of the proposed assignee or subtenant ("Transferee"), the nature of its business and its proposed use of the Premises, (ii) current financial information with respect to the Transferee, including its most recent financial statements, and (iii) any other information Landlord may reasonably request, provided that:

(i) in Landlord's reasonable judgment, the Transferee is engaged in a business or activity, and the Premises will be used in a manner, which (A) is in keeping with the then standards of the Building, (B) is for the Permitted Uses, and (C) does not violate any restrictions set forth in this Lease, any Mortgage or Superior Lease or any negative covenant as to use of the Premises required by any other lease in the Building;

(ii) the Transferee is reputable with sufficient financial means to perform all of its obligations under this Lease or the sublease, as the case may be;

(iii) [intentionally omitted];

(iv) [intentionally omitted];

(v) there shall be not more than three (3) subtenants in the Premises;

(vi) [intentionally omitted];

(vii) with respect to any assignment or subletting for which Landlord's consent is required under this Lease, Tenant shall, upon demand, reimburse Landlord for all reasonable expenses incurred by Landlord in connection with such proposed assignment or sublease, including any investigations as to the acceptability of the Transferee and all legal costs reasonably incurred in connection with the granting of any requested consent, which fees and expenses shall not exceed \$2,500 per request provided Tenant executes Landlord's standard form of Consent to Sublease or Consent to Assignment, as applicable; and

(viii) the Transferee shall not be entitled, directly or indirectly, to diplomatic or sovereign immunity, regardless of whether the Transferee agrees to waive such diplomatic or sovereign immunity, and shall be subject to the service of process in, and the jurisdiction of the courts of, the State.

(b) with respect to each and every subletting and/or assignment approved by Landlord under the provisions of this Lease:

(i) the form of the proposed assignment or sublease shall be reasonably satisfactory to Landlord;

(ii) no sublease shall be for a term ending later than one day prior to the Expiration Date;

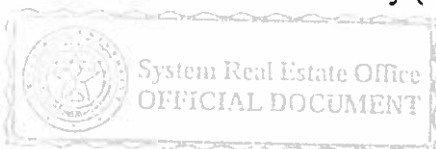
(iii) no Transferee shall take possession of any part of the Premises, until an executed counterpart of such sublease or assignment has been delivered to Landlord and approved by Landlord as provided in Section 13.3;

(iv) if an Event of Default occurs prior to the effective date of such assignment or subletting, then Landlord's consent thereto, if previously granted, shall be immediately deemed revoked without further notice to Tenant, and if such assignment or subletting would have been permitted without Landlord's consent pursuant to Section 13.7, such permission shall be void and without force and effect, and in either such case, any such assignment or subletting shall constitute a further Event of Default hereunder; and

(v) each sublease shall be subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate; and Tenant and each Transferee shall be deemed to have agreed that upon the occurrence and during the continuation of an Event of Default hereunder, Tenant has hereby assigned to Landlord, and Landlord may, at its option, accept such assignment of, all right, title and interest of Tenant as sub-landlord under such sublease, together with all modifications, extensions and renewals thereof then in effect and such Transferee shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease, except that Landlord shall not be (A) liable for any previous act or omission of Tenant under such sublease, (B) subject to any counterclaim, offset or defense not expressly provided in such sublease, which theretofore accrued to such Transferee against Tenant, (C) bound by any previous modification of such sublease not consented to by Landlord or by any prepayment of more than one month's rent, (D) bound to return such Transferee's security deposit, if any, except to the extent Landlord shall receive actual possession of such deposit and such Transferee shall be entitled to the return of all or any portion of such deposit under the terms of its sublease, or (E) obligated to make any payment to or on behalf of such Transferee, or to perform any work in the subleased space or the Building, or in any way to prepare the sublet space for occupancy, beyond Landlord's obligations under this Lease. The provisions of this Section shall be self-operative, and no further instrument shall be required to give effect to this provision, provided that the Transferee shall execute and deliver to Landlord any instruments Landlord may reasonably request to evidence and confirm such subordination and attornment.

Section 13.4 Binding on Tenant; Indemnification of Landlord. Notwithstanding any assignment or subletting or any acceptance of rent by Landlord from any Transferee, Tenant shall remain fully liable for the payment of all Rent due and for the performance of all the covenants, terms and conditions contained in this Lease on Tenant's part to be observed and performed, and any default under any term, covenant or condition of this Lease by any Transferee or anyone claiming under or through any Transferee shall be deemed to be a default under this Lease by Tenant. To the extent permitted by the Constitution and the laws of the State of Texas, Tenant shall indemnify, defend, protect and hold harmless Landlord from and against any and all Losses resulting from any claims that may be made against Landlord by the Transferee or anyone claiming under or through any Transferee or by any brokers or other persons claiming a commission or similar compensation in connection with the proposed assignment or sublease, irrespective of whether Landlord shall give or decline to give its consent to any proposed assignment or sublease, or if Landlord shall exercise any of its options under this Article.

Section 13.5 Tenant's Failure to Complete. If Landlord consents to a proposed assignment or sublease and Tenant fails to execute and deliver to Landlord such assignment or sublease within ninety (90) days after the giving of such consent or the amount of space subject



to such sublease varies by more than ten percent (10%) from that specified in the notice given by Tenant to Landlord pursuant to Section 13.2, then Tenant shall again comply with all of the provisions and conditions of Sections 13.2, 13.3 and 13.4 before assigning this Lease or subletting all or part of the Premises.

Section 13.6 Profits. If Tenant enters into any assignment or sublease permitted hereunder or consented to by Landlord, Tenant shall, within sixty (60) days of Landlord's consent to such assignment or sublease, deliver to Landlord a list of Tenant's reasonable third-party expenses incurred in connection with such transaction including, without limitation, brokerage fees and legal fees paid in connection with such transaction, marketing costs, cash inducements, construction costs, construction and moving allowances, rent abatement and any lease assumption costs (collectively, "**Transaction Costs**"), together with a list of all of Tenant's Property to be transferred to such Transferee. The Transaction Costs shall be amortized, on a straight-line basis, over the term of any sublease. Tenant shall deliver to Landlord evidence of the payment of such Transaction Costs promptly after the same are paid. In consideration of such assignment or subletting, Tenant shall pay to Landlord:

(a) In the case of an assignment, on the effective date of the assignment, fifty percent (50%) of all sums and other consideration paid to Tenant by the Transferee for or by reason of such assignment (including sums paid for the sale or rental of Tenant's Property, less, the then fair market or rental value thereof, as reasonably determined by Landlord) after first deducting the Transaction Costs; or

(b) In the case of a sublease, fifty percent (50%) of any consideration paid under the sublease to Tenant by the Transferee which exceeds on a per square foot basis the Fixed Rent and Additional Rent accruing during the term of the sublease in respect of the subleased space (together with any sums paid for the sale or rental of Tenant's Property, less, the then fair market or rental value thereof, as reasonably determined by Landlord) after first deducting the monthly amortized amount of Transaction Costs. The sums payable under this clause shall be paid by Tenant to Landlord monthly as and when paid by the subtenant to Tenant. The foregoing notwithstanding, this Section shall not apply with respect to any transfer to a Related Entity in accordance with the terms and provisions of Section 13.7.

Section 13.7 Transfers.

(a) If Tenant is a legal entity, the transfer (by one or more transfers), directly or indirectly, by operation of law or otherwise, of a majority of the stock or other beneficial ownership interest in Tenant or of all or substantially all of the assets of Tenant (collectively, "**Ownership Interests**") shall be deemed a voluntary assignment of this Lease; provided, however, that the provisions of this Article shall not apply to the transfer of Ownership Interests in Tenant if and so long as Tenant is publicly traded on a nationally recognized stock exchange. For purposes of this Article the term "transfers" shall be deemed to include (x) the issuance of new Ownership Interests which results in a majority of the Ownership Interests in Tenant being held by a person or entity which does not hold a majority of the Ownership Interests in Tenant on the Effective Date and (y) except as provided below, the sale or transfer of all or substantially all of the assets of Tenant in one or more transactions and the merger or consolidation of Tenant into



or with another business entity. The provisions of Section 13.1 shall not apply to transactions with a business entity into or with which Tenant is merged or consolidated or to which all or substantially all of Tenant's assets are transferred so long as (i) such transfer was made for a legitimate independent business purpose and not for the purpose of transferring this Lease, (ii) the successor to Tenant has a net worth computed in accordance with generally accepted accounting principles at least equal to the net worth of Tenant immediately prior to such merger, consolidation or transfer, and (iii) proof satisfactory to Landlord of such net worth is delivered to Landlord at least ten (10) days prior to the effective date of any such transaction. Tenant may also, upon prior notice to Landlord, permit any business entity which controls, is controlled by, or is under common control with the original Tenant (a "**Related Entity**") to sublet or use all or part of the Premises for any Permitted Uses, provided the Related Entity is in Landlord's reasonable judgment of a character and engaged in a business which is in keeping with the standards for the Building and for so long as such entity remains a Related Entity. Such sublease shall not be deemed to vest in any such Related Entity any right or interest in this Lease nor shall it relieve, release, impair or discharge any of Tenant's obligations hereunder. For the purposes hereof, "control" shall be deemed to mean ownership of not less than fifty percent (50%) of all of the Ownership Interests or management control of such corporation or other business entity. Notwithstanding the foregoing, Tenant shall have no right to assign this Lease or sublease all or any portion of the Premises without Landlord's consent pursuant to this Section if Tenant is not the initial Tenant herein named or a person or entity who acquired Tenant's interest in this Lease in a transaction approved by Landlord. Notwithstanding anything to the contrary contained in this Lease, so long as Tenant is not then in default under this Lease, upon at least thirty (30) days prior written notice to Landlord (but without having to obtain Landlord's prior approval therefor), Tenant shall be permitted to assign this Lease to another entity that is a member of the Texas A&M University System ("**Permitted Transferee**") provided the Permitted Transferee's use of the Premises is a Permitted Use and would not violate rights of other tenants in the Building ("**Permitted Transfer**"). If Tenant makes a Permitted Transfer, Tenant shall remain fully responsible and primarily liable for all of Tenant's obligations under this Lease.

(b) The limitations set forth in this Section shall apply to Transferee(s) and guarantor(s) of this Lease, if any, and any transfer by any such entity in violation of this Section shall be a transfer in violation of Section 13.1.

(c) Any modification, amendment or extension of a sublease and/or any other agreement by which a landlord (or any affiliate thereof) of a building other than the Building agrees to assume the obligations of Tenant under this Lease shall be deemed a sublease for the purposes of Section 13.1 hereof.

Section 13.8 Assumption of Obligations. No assignment or transfer shall be effective unless and until the Transferee executes, acknowledges and delivers to Landlord an agreement in form and substance reasonably satisfactory to Landlord whereby the assignee (i) assumes Tenant's obligations under this Lease arising from and after the effective date of the assignment and (ii) agrees that, notwithstanding such assignment or transfer, the provisions of Section 13.1 hereof shall be binding upon it in respect of all future assignments and transfers.

Section 13.9 Tenant's Liability. The joint and several liability of Tenant and any successors-in-interest of Tenant and the due performance of Tenant's obligations under this Lease shall not be discharged, released or impaired by any agreement or stipulation made by Landlord, or any grantee or assignee of Landlord, extending the time, or modifying any of the terms and provisions of this Lease, or by any waiver or failure of Landlord, or any grantee or assignee of Landlord, to enforce any of the terms and provisions of this Lease.

Section 13.10 Listings in Building Directory. The listing of any name other than that of Tenant on the doors of the Premises, the Building directory or elsewhere shall not vest any right or interest in this Lease or in the Premises, nor be deemed to constitute Landlord's consent to any assignment or transfer of this Lease or to any sublease of the Premises or to the use or occupancy thereof by others. Any such listing shall constitute a privilege revocable in Landlord's discretion by notice to Tenant.

Section 13.11 Lease Disaffirmance or Rejection. If at any time after an assignment by Tenant named herein, this Lease is not affirmed or is rejected in any bankruptcy proceeding or any similar proceeding, or upon a termination of this Lease due to any such proceeding, Tenant named herein, upon request of Landlord given after such disaffirmance, rejection or termination (and actual notice thereof to Landlord in the event of a disaffirmance or rejection or in the event of termination other than by act of Landlord), shall (i) pay to Landlord all Rent and other charges due and owing by the assignee to Landlord under this Lease to and including the date of such disaffirmance, rejection or termination, and (ii) as "tenant," enter into a new lease of the Premises with Landlord for a term commencing on the effective date of such disaffirmance, rejection or termination and ending on the Expiration Date, at the same Rent and upon the then executory terms, covenants and conditions contained in this Lease, except that (A) the rights of Tenant named herein under the new lease shall be subject to the possessory rights of the assignee under this Lease and the possessory rights of any persons or entities claiming through or under such assignee or by virtue of any statute or of any order of any court, (B) such new lease shall require all defaults existing under this Lease to be cured by Tenant named herein with due diligence, and (C) such new lease shall require Tenant named herein to pay all Rent which, had this Lease not been so disaffirmed, rejected or terminated, would have become due under the provisions of this Lease after the date of such disaffirmance, rejection or termination with respect to any period prior thereto. If Tenant named herein defaults in its obligations to enter into such new lease for a period of ten (10) days after Landlord's request, then, in addition to all other rights and remedies by reason of default, either at law or in equity, Landlord shall have the same rights and remedies against Tenant named herein as if it had entered into such new lease and such new lease had thereafter been terminated as of the commencement date thereof by reason of Tenant's default thereunder.

13.12 Permitted Subleases Without Landlord's Approval. Notwithstanding anything to the contrary contained in this Lease, so long as Tenant is not then in default under this Lease, upon at least ten (10) Business Days' prior written notice to Landlord (but without having to obtain Landlord's approval therefor), Tenant shall have the right to sublease or permit the occupancy of up to forty percent (40%) of the Premises to individuals employed by companies with whom Tenant is working or individuals employed by another college, national laboratory or university system with whom Tenant is cooperating or collaborating ("**Permitted Occupants**"),



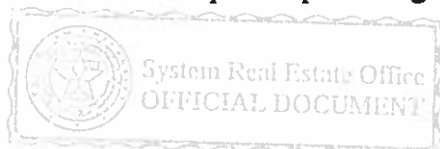
provided that (i) Tenant shall provide to Landlord the names, contact information and company information for such Permitted Occupants and the anticipated occupancy period, and (ii) Tenant provides written notice to Landlord within ten (10) business days after a Permitted Occupant moves out of the Premises. Notwithstanding anything to the contrary contained herein, use or occupancy of all or any portion of the Premises by a Permitted Occupant shall be subject to the following terms and conditions: (A) Tenant shall not separately demise such space (except as otherwise constructed as part of the initial Tenant Improvements) and the Permitted Occupants shall use, in common with Tenant, the main entrance to the Premises and certain services provided by Tenant, such as reception and photocopying; (B) to the extent permitted by the Constitution and the laws of the State of Texas, Tenant shall indemnify Landlord from and against all claims, damages, liability, and costs (including reasonable attorneys' fees) arising out of the Permitted Occupants presence in, or use of, the Premises or the Building; (C) the Permitted Occupants may not use the Premises for any purpose other than the use permitted herein; (D) the Permitted Occupants shall not be permitted to use Building amenities that are intended for use only by employees of tenants of the Building such as, for example, the fitness facility and the roof deck; and (E) any rent received by Tenant from such Permitted Occupants shall be subject to the profit sharing set forth in Section 13.6 above. If any Permitted Occupant uses any portion of the Premises as described herein, it is agreed that (I) such Permitted Occupant must comply with all provisions of this Lease, and a default by any Permitted Occupant shall be deemed a default by Tenant under this Lease; (II) all notices required of Landlord under this Lease shall be forwarded only to Tenant in accordance with the terms of this Lease and in no event shall Landlord be required to send any notices to any Permitted Occupant; (III) in no event shall any use of any portion of the Premises by any Permitted Occupant release or relieve Tenant from any of its obligations under this Lease; (IV) in no event shall the use of any portion of the Premises by any Permitted Occupant be deemed to create a landlord/tenant or other contractual relationship between Landlord and such Permitted Occupant; and (V) in all instances, Tenant shall be considered the sole tenant under this Lease.

ARTICLE 14 ACCESS TO PREMISES

Section 14.1 Landlord's Access.

(a) Landlord, Landlord's agents and utility service providers servicing the Building may erect, use and maintain concealed ducts, pipes and conduits in and through the Premises provided such use does not cause the usable area of the Premises to be reduced beyond a *de minimis* amount. Landlord shall promptly repair any damage to the Premises caused by any work performed pursuant to this Article.

(b) Landlord and any other party designated by Landlord shall have the right to enter the Premises at any time in the case of an emergency. Landlord, any Lessor or Mortgagee and any other party designated by Landlord and their respective agents shall have the right to enter the Premises at all reasonable times, upon reasonable notice (which notice may be oral) to examine the Premises, to perform Restorative Work to the Premises or the Building, to show the Premises to prospective purchasers, Mortgagees or Lessors and during the eighteen (18) month period preceding the Expiration Date, prospective tenants, and their respective agents and



representatives or others. Notwithstanding the foregoing, the Landlord's access to certain designated areas may require 24-hour notice. Tenant shall have the right to accompany Landlord during any such entry provided Tenant makes available a representative at the time of Landlord's entry.

(c) All parts (except surfaces facing the interior of the Premises) of all walls, windows and doors bounding the Premises, all balconies, terraces and roofs adjacent to the Premises, all space in or adjacent to the Premises used for shafts, stacks, stairways, mail chutes, conduits and other mechanical facilities, Base Building Systems, Building facilities and Common Areas are not part of the Premises, and Landlord shall have the use thereof and access thereto through the Premises for the purposes of Building operation, maintenance, alteration and repair.

Section 14.2 Building Name. Landlord has the right at any time to change the name, street address or designation by which the Building is commonly known.

Section 14.3 Light and Air. If at any time any windows of the Premises are temporarily darkened or covered over by reason of any Restorative Work, any of such windows are permanently darkened or covered over due to any Requirement or there is otherwise a diminution of light, air or view by another structure which may hereafter be erected (whether or not by Landlord), Landlord shall not be liable for any damages and Tenant shall not be entitled to any compensation or abatement of any Rent, nor shall the same release Tenant from its obligations hereunder or constitute an actual or constructive eviction.

ARTICLE 15 DEFAULT

Section 15.1 Tenant's Defaults. Each of the following events shall be an "Event of Default" by Tenant hereunder:

(a) Tenant fails to pay when due any installment of Rent and such default shall continue for five (5) Business Days after notice of such default is given to Tenant except that if Landlord shall have given two such notices of default in the payment of any Rent in any twelve (12) month period, Tenant shall not be entitled to any further notice of its delinquency in the payment of any Rent or an extended period in which to make payment until such time as twelve (12) consecutive months shall have elapsed without Tenant having failed to make any such payment when due, and the occurrence of any default in the payment of any Rent within such twelve (12) month period after the giving of two (2) such notices shall constitute an Event of Default; or

(b) Tenant fails to observe or perform any other term, covenant or condition of this Lease and such failure continues for more than thirty (30) days after notice by Landlord to Tenant of such default, or if such default is of a nature that it cannot be completely remedied within thirty (30) days, failure by Tenant to commence to remedy such failure within said thirty (30) days, and thereafter diligently take all steps necessary to remedy such default, provided in all events the same is completed within ninety (90) days; or

(c) if Landlord applies or retains any part of the security held by Landlord hereunder in accordance with the terms of this Lease, and Tenant fails to deposit with Landlord the amount so applied or retained by Landlord, or to provide Landlord with a replacement Letter of Credit (as hereinafter defined), if applicable, within five (5) days after notice by Landlord to Tenant stating the amount applied or retained (it being understood and agreed that for so long as Tenant is the tenant under this Lease, the provisions of this Section 15.1(c) shall not be applicable); or

(d) Tenant files a voluntary petition in bankruptcy or insolvency, or is adjudicated a bankrupt or insolvent, or files any petition or answer seeking any reorganization, liquidation, dissolution or similar relief under any present or future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or makes an assignment for the benefit of creditors or seeks or consents to or acquiesces in the appointment of any trustee, receiver, liquidator or other similar official for Tenant or for all or any part of Tenant's property; or

(e) a court of competent jurisdiction shall enter an order, judgment or decree adjudicating Tenant bankrupt, or appointing a trustee, receiver or liquidator of Tenant, or of the whole or any substantial part of its property, without the consent of Tenant, or approving a petition filed against Tenant seeking reorganization or arrangement of Tenant under the bankruptcy laws of the United States, as now in effect or hereafter amended, or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or

(f) Guarantor (if any) generally does not, or is unable to, or admits in writing its inability to, pay its debts as they become due or is subject to the filing of a petition, case or proceeding in bankruptcy; or

(g) the occurrence of a default under a guaranty (if any) of all or any portion of Tenant's liabilities under this Lease, which default continues beyond the expiration of any applicable notice and/or cure period(s) (if any) set forth in such guaranty.

Section 15.2 Landlord's Remedies.

(a) Upon the occurrence and continuance of an Event of Default, Landlord, at its option, and without limiting the exercise of any other right or remedy Landlord may have on account of such Event of Default, and without any further demand or notice, may give to Tenant notice of (i) the termination of this Lease, in which event this Lease and the Term shall come to an end and expire (whether or not the Term shall have commenced) upon the termination date set forth in such notice with the same force and effect as if the date set forth in the notice was the Expiration Date stated herein, and/or (ii) the termination of Tenant's right of possession of the Premises, in which event Tenant's right of possession of the Premises shall come to an end and expire (whether or not the Term shall have commenced) upon the termination date set forth in such notice; and Tenant shall then quit and surrender the Premises to Landlord, but Tenant shall remain liable for damages as provided in this Article and/or, to the extent permitted by the Constitution and the laws of the State of Texas, Landlord may remove all persons and property



from the Premises, which property shall be stored by Landlord at a warehouse or elsewhere at the risk, expense and for the account of Tenant.

(b) If this Lease and the Term, or Tenant's right to possession of the Premises, terminate as provided in Section 15.2(a):

(i) Tenant shall quit and surrender the Premises to Landlord, and Landlord and its agents may immediately, or at any time after such termination, re-enter the Premises or any part thereof, without notice, either by summary proceedings, or by any other applicable action or proceeding, or by force (to the extent permitted by law) or otherwise in accordance with applicable legal proceedings (without being liable to indictment, prosecution or damages therefor), and may repossess the Premises and dispossess Tenant and any other persons from the Premises and remove any and all of their property and effects from the Premises.

(ii) Landlord, at Landlord's option, may relet all or any part of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for any term ending before, on or after the Expiration Date, at such rental and upon such other conditions (which may include concessions and free rent periods) as Landlord, in its sole discretion, may determine. Landlord shall have no obligation to accept any tenant offered by Tenant and shall not be liable for failure to relet or, in the event of any such reletting, for failure to collect any rent due upon any such reletting; and no such failure shall relieve Tenant of, or otherwise affect, any liability under this Lease. Landlord shall, however, to the extent required by law, use reasonable efforts to mitigate its damages but shall not be required to divert prospective tenants from any other portions of the Building. Landlord, at Landlord's option, may make such alterations, decorations and other physical changes in and to the Premises as Landlord, in its sole discretion, considers advisable or necessary in connection with such reletting or proposed reletting, without relieving Tenant of any liability under this Lease or otherwise affecting any such liability.

(c) Tenant, on its own behalf and on behalf of all persons claiming through or under Tenant, including all creditors, hereby waives (to the extent waivable pursuant to the Constitution and the laws of the State of Texas) all rights which Tenant and all such persons might otherwise have under any Requirement (i) to the service of any notice of intention to re-enter or to institute legal proceedings, (ii) to redeem, or to re-enter or repossess the Premises, (iii) to restore the operation of this Lease, after (A) Tenant shall have been dispossessed by judgment or by warrant of any court or judge, (B) any re-entry by Landlord, or (C) any expiration or early termination of the term of this Lease, whether such dispossession, re-entry, expiration or termination shall be by operation of law or pursuant to the provisions of this Lease, and (iv) to any notice to quit the Premises. The words "redeem," "redemption," "re-enter," "re-entry" and "re-entered" as used in this Lease shall not be deemed to be restricted to their technical legal meanings.

(d) Upon an Event of Default by Tenant, or any persons claiming through or under Tenant, of any term, covenant or condition of this Lease, Landlord shall have the right to enjoin such Event of Default and to invoke any other remedy allowed by law or in equity as if re-entry, summary proceedings and other special remedies were not provided in this Lease for such



Event of Default. The rights to invoke the remedies set forth above are cumulative and shall not preclude Landlord from invoking any other remedy allowed at law or in equity.

Section 15.3 Landlord's Damages.

(a) If this Lease and the Term, or Tenant's right to possession of the Premises, terminate as provided in Section 15.2, then:

(i) Tenant shall pay to Landlord all items of Rent payable under this Lease by Tenant to Landlord prior to the date of termination;

(ii) Landlord may retain all monies, if any, paid by Tenant to Landlord, whether as prepaid Rent, a Security Deposit or otherwise, which monies, to the extent not otherwise applied to amounts due and owing to Landlord, shall be credited by Landlord against any damages payable by Tenant to Landlord;

(iii) Tenant shall pay to Landlord, in monthly installments, on the days specified in this Lease for payment of installments of Fixed Rent, any Deficiency; it being understood that Landlord shall be entitled to recover the Deficiency from Tenant each month as the same shall arise, and no suit to collect the amount of the Deficiency for any month, shall prejudice Landlord's right to collect the Deficiency for any subsequent month by a similar proceeding; and

(iv) whether or not Landlord shall have collected any monthly Deficiency, Tenant shall pay to Landlord, on demand, in lieu of any further Deficiency and as liquidated and agreed final damages, a sum equal to the amount by which the Rent for the period which otherwise would have constituted the unexpired portion of the Term (assuming the Additional Rent during such period to be the same as was payable for the year immediately preceding such termination or re-entry, increased in each succeeding year by four percent (4%) (on a compounded basis)) exceeds the then fair and reasonable rental value of the Premises, for the same period (with both amounts being discounted to present value at a rate of interest equal to two percent (2%) below the then Base Rate) less the aggregate amount of Deficiencies theretofore collected by Landlord pursuant to the provisions of Section 15.3(a)(iii) for the same period. If, before presentation of proof of such liquidated damages to any court, commission or tribunal, the Premises, or any part thereof, shall have been relet by Landlord for the period which otherwise would have constituted the unexpired portion of the Term, or any part thereof, the amount of rent reserved upon such reletting shall be deemed *prima facie*, to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting.

(b) If the Premises, or any part thereof, shall be relet together with other space in the Building, the rents collected or reserved under any such reletting and the expenses of any such reletting shall be equitably apportioned for the purposes of this Section. Tenant shall not be entitled to any rents collected or payable under any reletting, whether or not such rents exceeds the Fixed Rent reserved in this Lease. Nothing contained in this Article shall be deemed to limit or preclude the recovery by Landlord from Tenant of the maximum amount allowed to be

obtained as damages by any Requirement, or of any sums or damages to which Landlord may be entitled in addition to the damages set forth in this Section.

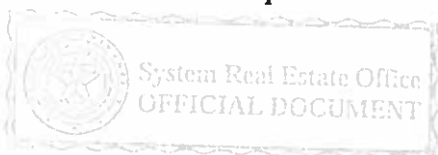
Section 15.4 Interest. If any payment of Rent is not paid when due, interest shall accrue on such payment, from the date such payment became due until paid at the Interest Rate. Tenant acknowledges that late payment by Tenant of Rent will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Landlord by the terms of any note secured by a Mortgage covering the Premises. Therefore, in addition to interest, if any amount is not paid when due, a late charge equal to five percent (5%) of such amount shall be assessed; provided, however, that on one (1) occasion during any Calendar Year of the Term, Landlord shall give Tenant written notice of such late payment and Tenant shall have a period of five (5) Business Days thereafter in which to make such payment before any late charge is assessed. Such interest and late charges are separate and cumulative and are in addition to and shall not diminish or represent a substitute for any of Landlord's rights or remedies under any other provision of this Lease.

Section 15.5 Other Rights of Landlord. If Tenant fails to pay any Additional Rent when due, Landlord, in addition to any other right or remedy, shall have the same rights and remedies as in the case of a default by Tenant in the payment of Fixed Rent. If Tenant is in arrears in the payment of Rent, Landlord may apply any payments made by Tenant to any items Landlord sees fit, regardless of any request by Tenant. Landlord reserves the right, without liability to Tenant and without constituting any claim of constructive eviction, to suspend furnishing or rendering to Tenant any property, material, labor, utility or other service, whenever Landlord is obligated to furnish or render the same at the expense of Tenant, if (but only for so long as) Tenant is in arrears in paying Landlord for such items for more than five (5) days after notice from Landlord to Tenant demanding the payment of such arrears. If Tenant fails to pay any Rent when due or Tenant otherwise fails to fully and timely perform its obligations under this Lease and Landlord engages an attorney in connection with such failure, then, to the extent permitted by the Constitution and the laws of the State of Texas, Tenant shall pay upon demand the reasonable attorneys' fees incurred by Landlord regardless of whether Landlord initiates legal action in connection with such failure.

ARTICLE 16

LANDLORD'S RIGHT TO CURE; FEES AND EXPENSES

If Tenant defaults in the performance of its obligations under this Lease, Landlord, without waiving such default, may perform such obligations at Tenant's expense: (a) immediately, and without notice, in the case of emergency which is likely to result in imminent bodily harm or property damage or if the default (i) materially interferes with the use by any other tenant of the Building, (ii) materially interferes with the efficient operation of the Building, (iii) results in a violation of any Requirement, or (iv) results or will result in a cancellation of any insurance policy maintained by Landlord, and (b) in any other case if such default continues after the expiration of any applicable notice or cure period. All reasonable costs and expenses incurred by Landlord in connection with any such performance by it and all



reasonable costs and expenses incurred by Landlord in any action or proceeding (including any unlawful detainer proceeding) brought by Landlord or in which Landlord is a party to enforce any obligation of Tenant under this Lease and/or right of Landlord in or to the Premises, shall be paid by Tenant to Landlord within thirty (30) days after receipt of Landlord's invoice for such amount (accompanied by copies of invoice(s) evidencing such costs), with interest thereon at the Interest Rate from the date paid by Landlord. Except as expressly provided to the contrary in this Lease, all costs and expenses which, pursuant to this Lease are incurred by Landlord and payable to Landlord by Tenant, and all charges, amounts and sums payable to Landlord by Tenant for any property, material, labor, utility or other services which, pursuant to this Lease, attributable directly to Tenant's use or occupancy of the Premises or presence at the Building, or at the request and for the account of Tenant, are provided, furnished or rendered by Landlord, shall become due and payable by Tenant to Landlord within thirty (30) days after receipt of Landlord's invoice for such amount (accompanied by copies of invoice(s) evidencing such costs).

ARTICLE 17

NO REPRESENTATIONS BY LANDLORD; LANDLORD'S APPROVAL

Section 17.1 No Representations. Except as expressly set forth in this Lease, Landlord and Landlord's agents have made no warranties, representations, statements or promises with respect to the Building, the Project or the Premises and no rights, easements or licenses are acquired by Tenant by implication or otherwise. Tenant is entering into this Lease after full investigation and is not relying upon any statement or representation made by Landlord not embodied in this Lease.

Section 17.2 No Money Damages. Wherever in this Lease Landlord's consent or approval is required, if Landlord refuses to grant such consent or approval, whether or not Landlord expressly agreed that such consent or approval would not be unreasonably withheld, to the extent permitted by the Constitution and the laws of the State of Texas, Tenant shall not make, and Tenant hereby waives, any claim for money damages (including any claim by way of set-off, counterclaim or defense) based upon Tenant's claim or assertion that Landlord unreasonably withheld or delayed its consent or approval. Tenant's sole remedy shall be an action or proceeding to enforce such provision, by specific performance, injunction or declaratory judgment. In no event shall Landlord be liable for, and, to the extent permitted by the Constitution and the laws of the State of Texas, Tenant, on behalf of itself and all other Tenant Parties, hereby waives any claim for, any indirect, consequential or punitive damages, including loss of profits or business opportunity, arising under or in connection with this Lease.

Section 17.3 Reasonable Efforts. For purposes of this Lease, "reasonable efforts" by Landlord shall not include an obligation to employ contractors or labor at overtime or other premium pay rates or to incur any other overtime costs or additional expenses whatsoever.

ARTICLE 18

END OF TERM

Section 18.1 Expiration. Upon the expiration or earlier termination of this Lease, Tenant shall quit and surrender the Premises to Landlord vacant, broom clean and in good order



and condition, ordinary wear and tear and damage for which Tenant is not responsible under the terms of this Lease excepted, and Tenant shall have satisfied Tenant's removal obligations under Article 5.

Section 18.2 Holdover Rent. Landlord and Tenant recognize that Landlord's damages resulting from Tenant's failure to timely surrender possession of the Premises may be substantial, may exceed the amount of the Rent payable hereunder, and will be impossible to accurately measure. Accordingly, if possession of the Premises is not surrendered to Landlord on the Expiration Date or sooner termination of this Lease, in addition to any other rights or remedies Landlord may have hereunder or at law, Tenant shall (i) pay to Landlord for each month (or any portion thereof) during which Tenant holds over in the Premises after the Expiration Date or sooner termination of this Lease, a sum equal to the greater of (A) the product of the Holdover Multiplier times the Rent payable under this Lease for the last full calendar month of the Term, and (B) two (2) times the rate Landlord is then asking for comparable space in the Building (or if no comparable space is then available, two (2) times the fair market rental value of the Premises as reasonably determined by Landlord), (ii) be liable to Landlord for (A) any payment or rent concession which Landlord may be required to make to any tenant obtained by Landlord for all or any part of the Premises (a "New Tenant") in order to induce such New Tenant not to terminate its lease by reason of the holding-over by Tenant, and (B) the loss of the benefit of the bargain if any New Tenant shall terminate its lease by reason of the holding-over by Tenant, and (c) to the extent permitted by the Constitution and the laws of the State of Texas, indemnify Landlord against all claims for damages by any New Tenant. The "Holdover Multiplier" shall mean: one hundred fifty percent (150%) for the two (2) months of any holding over; and two hundred percent (200%) thereafter. No holding-over by Tenant, nor the payment to Landlord of the amounts specified above, shall operate to extend the Term hereof or to establish a month to month or any other tenancy. Nothing herein contained shall be deemed to permit Tenant to retain possession of the Premises after the Expiration Date or sooner termination of this Lease, and no acceptance by Landlord of payments from Tenant after the Expiration Date or sooner termination of this Lease shall be deemed to be other than on account of the amount to be paid by Tenant in accordance with the provisions of this Section.

ARTICLE 19 QUIET ENJOYMENT

Provided this Lease is in full force and effect and no Event of Default then exists, Tenant may peaceably and quietly enjoy the Premises without hindrance by Landlord or any person lawfully claiming through or under Landlord, subject to the terms and conditions of this Lease and to all Superior Leases and Mortgages.

ARTICLE 20 NO SURRENDER; NO WAIVER

Section 20.1 No Surrender or Release. No act or thing done by Landlord or Landlord's agents or employees during the Term shall be deemed an acceptance of a surrender of the Premises, and no provision of this Lease shall be deemed to have been waived by Landlord or



Tenant, unless such waiver is in writing and is signed by Landlord or Tenant as applicable, except to the extent expressly provided otherwise in this Lease.

Section 20.2 No Waiver. The failure of either party to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease, or any of the Rules and Regulations, shall not be construed as a waiver or relinquishment for the future performance of such obligations of this Lease or the Rules and Regulations, or of the right to exercise such election but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of any Rent payable pursuant to this Lease or any other sums with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Rent herein stipulated shall be deemed to be other than a payment on account of the earliest stipulated Rent, or as Landlord may elect to apply such payment, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease.

ARTICLE 21 WAIVER OF TRIAL BY JURY; COUNTERCLAIM

Section 21.1 Jury Trial Waiver. To the extent permitted by the Constitution and the laws of the State of Texas, Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other in connection with any matters in any way arising out of or connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, any guaranty of all or any portion of Tenant's liabilities under this Lease or the enforcement of any remedy under any statute, emergency or otherwise.

Section 21.2 Waiver of Counterclaim. If Landlord commences any summary proceeding against Tenant, Tenant will not interpose any counterclaim of any nature or description in any such proceeding (unless failure to interpose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim and to the extent permitted by the Constitution and the laws of the State of Texas), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant.

ARTICLE 22 NOTICES

Except as otherwise expressly provided in this Lease, all consents, notices, demands, requests, approvals or other communications given under this Lease shall be in writing and shall be deemed sufficiently given or rendered only if delivered by hand (provided a signed receipt is obtained) or if sent by registered or certified mail (return receipt requested) or by a nationally recognized overnight delivery service making receipted deliveries, addressed to Landlord and Tenant as set forth in Article 1, and to any Mortgagee or Lessor who shall require copies of



notices and whose address is provided to Tenant, or to such other address(es) as Landlord, Tenant or any Mortgagee or Lessor may designate as its new address(es) for such purpose by notice given to the other in accordance with the provisions of this Article. Any such consent, notice, demand, request, approval or other communication shall be deemed to have been given on the date of receipted delivery, refusal to accept delivery or when delivery is first (1st) attempted but cannot be made due to a change of address for which no notice is given or three (3) Business Days after it shall have been mailed as provided in this Article, whichever is earlier.

ARTICLE 23

RULES AND REGULATIONS

Tenant shall observe and comply with and shall cause all Tenant Parties to observe and comply with the Rules and Regulations, as reasonably supplemented or amended from time to time. Landlord reserves the right, from time to time, to adopt additional reasonable Rules and Regulations and to reasonably amend the Rules and Regulations then in effect. Nothing contained in this Lease shall impose upon Landlord any obligation to enforce the Rules and Regulations or terms, covenants or conditions in any other lease against any other Building tenant, and Landlord shall not be liable to Tenant for violation of the same by any other tenant, its employees, agents, visitors or licensees, provided that Landlord shall enforce the Rules or Regulations against Tenant in a non-discriminatory fashion. To the extent that any Rules or Regulations conflict with the express terms of this Lease, the terms of this Lease shall control. Landlord shall use reasonable efforts not to enforce any Rules and Regulations in a manner which unreasonably discriminates among similarly situated tenants.

ARTICLE 24

BROKER

Landlord has retained Landlord's Agent as leasing agent in connection with this Lease and Landlord will be solely responsible for any fee that may be payable to Landlord's Agent. Landlord agrees to pay a commission to Tenant's Broker pursuant to a separate agreement. Each of Landlord and Tenant represents and warrants to the other that neither it nor its agents have dealt with any broker in connection with this Lease other than Landlord's Agent and Tenant's Broker and that no other broker, finder or like entity procured or negotiated this Lease or is entitled to any fee or commission in connection herewith. To the extent permitted by the Constitution and the laws of the State of Texas, each of Landlord and Tenant shall indemnify, defend, protect and hold the other party harmless from and against any and all Losses which the indemnified party may incur by reason of any claim of or liability to any broker, finder or like agent (other than Landlord's Agent and Tenant's Broker) arising out of any dealings claimed to have occurred between the indemnifying party and the claimant in connection with this Lease, and/or the above representation being false.



ARTICLE 25 INDEMNITY

Section 25.1 Tenant's Indemnity. Tenant shall not do or permit to be done any act or thing upon the Premises and Tenant will not do any act or thing in the Building which may subject Landlord to any liability or responsibility for injury, damages to persons or property or to any liability by reason of any violation of any Requirement, and shall exercise such control over the Premises as to fully protect Landlord against any such liability. Subject to the provisions of Section 11.2(b), except to the extent of any such injury or damage resulting from the negligence or willful misconduct of Landlord or Landlord's agents or employees, Tenant shall, to the extent permitted by the Constitution and the laws of the State of Texas, indemnify, defend, protect and hold harmless each of the Landlord Parties from and against any and all Losses, resulting from any claims (i) against the Landlord Parties arising from any act, omission or negligence of all Tenant Parties, (ii) against the Landlord Parties arising from any accident, injury or damage to any person or to the property of any person and occurring in or about the Premises, and (iii) against the Landlord Parties resulting from any breach, violation or nonperformance of any covenant, condition or agreement of this Lease on the part of Tenant to be fulfilled, kept, observed or performed.

Section 25.2 Landlord's Indemnity. Subject to the provisions of Section 11.2(b), Landlord shall indemnify, defend and hold harmless Tenant from and against all Losses incurred by Tenant (i) arising from any accident, injury or damage to any person or the property of any person in or about the Common Areas (specifically excluding the Premises) to the extent attributable to the gross negligence or willful misconduct of Landlord or Landlord Parties, or (ii) by reason of any breach, violation or nonperformance of any covenant, condition or agreement of this Lease on the part of Landlord to be fulfilled, kept, observed or performed following written notice to Landlord and the expiration of a reasonable period to cure; provided, however, that Landlord's obligation to indemnify Tenant pursuant to this Section 25.2(ii) shall be applicable and enforceable only to the extent that Tenant has suffered an actual and demonstrable loss directly caused by the breach or default by Landlord in the performance or observance of its covenants or obligations under this Lease; and provided, however, that in no event shall Landlord have any liability to Tenant under this Section 25.2 for any indirect losses or consequential damages whatsoever or for claims for which Tenant is insured or required under this Lease to be insured.

ARTICLE 26 MISCELLANEOUS

Section 26.1 Delivery. This Lease shall not be binding upon Landlord or Tenant unless and until Landlord and Tenant shall have executed and delivered this Lease to the other.

Section 26.2 Transfer of Project. Landlord's obligations under this Lease arising from and after the date of Transfer shall not be binding upon the Landlord named herein after the sale,



conveyance, assignment or transfer (collectively, a “**Transfer**”) by such Landlord (or upon any subsequent landlord after the Transfer by such subsequent landlord) of its interest in the Building or the Project, as the case may be, and in the event of any such Transfer, Landlord (and any such subsequent Landlord) shall be entirely freed and relieved of all covenants and obligations of Landlord hereunder arising from and after the date of Transfer and the transferee of Landlord’s interest (or that of such subsequent Landlord) in the Building or the Project, as the case may be, shall be deemed to have assumed all obligations under this Lease arising from and after the date of Transfer.

Section 26.3 Limitation on Liability. The liability of Landlord for Landlord’s obligations under this Lease shall be limited to Landlord’s interest in the Project and Tenant shall not look to any other property or assets of Landlord or any Landlord Party in seeking either to enforce Landlord’s obligations under this Lease or to satisfy a judgment for Landlord’s failure to perform such obligations; and none of the Landlord Parties shall be personally liable for the performance of Landlord’s obligations under this Lease.

Section 26.4 Rent. All amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated Fixed Rent, Tenant’s Tax Payment, Tenant’s Operating Payment, Additional Rent or Rent, shall constitute rent for the purposes of Section 502(b)(6) of the United States Bankruptcy Code.

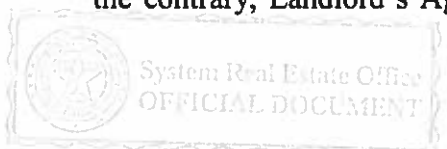
Section 26.5 Entire Document. This Lease includes all riders, exhibits, schedules and other attachments hereto and all supplemental agreements provided for herein (each of which is incorporated herein by this reference) and constitutes the entire agreement between the parties and all prior negotiations and agreements are merged into this Lease. In the event of any inconsistency between the terms and provisions of this Lease and the terms and provisions of the riders, exhibits, schedules and other attachments hereto and all supplemental agreements provided for herein, the terms and provisions of this Lease shall control.

Section 26.6 Governing Law and Venue. The validity of this Lease and all matters pertaining to this Lease, including but not limited to, matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas. Pursuant to Section 85.18, Texas Education Code, venue for any suit filed against Tenant shall be in the county in which the primary office of the chief executive officer of Tenant is located.

Section 26.7 Unenforceability. If any provision of this Lease, or its application to any person or circumstance, shall ever be held to be invalid or unenforceable, then in each such event the remainder of this Lease or the application of such provision to any other person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each provision hereof shall remain valid and enforceable to the fullest extent permitted by law.

Section 26.8 Intentionally Deleted.

Section 26.9 Landlord’s Agent. Unless Landlord delivers written notice to Tenant to the contrary, Landlord’s Agent is authorized to act as Landlord’s agent in connection with the



performance of this Lease, and Tenant shall be entitled to rely upon correspondence received from Landlord's Agent. Tenant acknowledges that Landlord's Agent is acting solely as agent for Landlord in connection with the foregoing; and neither Landlord's Agent nor any of its direct or indirect partners, members, managers, officers, shareholders, directors, employees, principals, agents or representatives shall have any liability to Tenant in connection with the performance of this Lease, and Tenant, to the extent permitted by the Constitution and the laws of the State of Texas, waives any and all claims against any and all of such parties arising out of, or in any way connected with, this Lease, the Building or the Project.

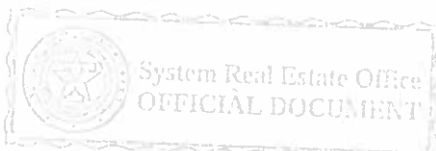
Section 26.10 Estoppel. Within fifteen (15) Business Days following request from Landlord, any Mortgagee or any Lessor, Tenant shall deliver to Landlord a statement executed and acknowledged by Tenant, in form reasonably satisfactory to Landlord and Tenant, (i) stating the Commencement Date, the Rent Commencement Date and the Expiration Date, and that this Lease is then in full force and effect and has not been modified (or if modified, setting forth all modifications), (ii) setting forth the date to which the Fixed Rent and any Additional Rent have been paid, together with the amount of monthly Fixed Rent and Additional Rent then payable, (iii) stating whether or not, to the best of Tenant's knowledge, Landlord is in default under this Lease, and, if Landlord is in default, setting forth the specific nature of all such defaults, (iv) stating the amount of the security, if any, under this Lease, (v) stating whether there are any subleases or assignments affecting the Premises, (vi) stating the address of Tenant to which all notices and communications under the Lease shall be sent, and (vii) responding to any other matters reasonably requested by Landlord, such Mortgagee or such Lessor and reasonably acceptable to Tenant. Tenant acknowledges that any statement delivered pursuant to this Section may be relied upon by any purchaser or owner of the Project or the Building or all or any portion of Landlord's interest in the Project or the Building or any Superior Lease, or by any Mortgagee, or assignee thereof or by any Lessor, or assignee thereof.

Section 26.11 Certain Interpretational Rules. For purposes of this Lease, whenever the words "include", "includes", or "including" are used, they shall be deemed to be followed by the words "without limitation" and, whenever the circumstances or the context requires, the singular shall be construed as the plural, the masculine shall be construed as the feminine and/or the neuter and vice versa. This Lease shall be interpreted and enforced without the aid of any canon, custom or rule of law requiring or suggesting construction against the party drafting or causing the drafting of the provision in question.

The captions in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Lease or the intent of any provision hereof.

Section 26.12 Parties Bound. The terms, covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and, except as otherwise provided in this Lease, to their respective successors, and assigns.

Section 26.13 Memorandum of Lease. This Lease shall not be recorded; however, at Landlord's request, Landlord and Tenant shall promptly execute, acknowledge and deliver a memorandum with respect to this Lease sufficient for recording and Landlord may record the



memorandum. Within twenty (20) days after the end of the Term, Tenant shall enter into such documentation as is reasonably required by Landlord to remove the memorandum of record.

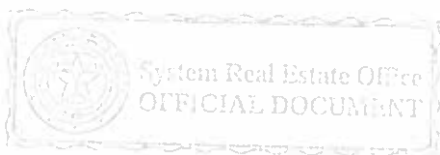
Section 26.14 Counterparts. This Lease may be executed in two (2) or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument.

Section 26.15 Survival. Except as otherwise expressly provided in the Lease, all obligations and liabilities of Landlord or Tenant to the other which accrued before the expiration or other termination of this Lease, and all such obligations and liabilities which by their nature or under the circumstances can only be, or by the provisions of this Lease may be, performed after such expiration or other termination, shall survive the expiration or other termination of this Lease. Without limiting the generality of the foregoing, the rights and obligations of the parties with respect to any indemnity under this Lease, and with respect to any Rent and any other amounts payable under this Lease, shall survive the expiration or other termination of this Lease for any period expressly provided for in the Lease or the applicable statute of limitation if no time period is specified herein.

Section 26.16 Inability to Perform. This Lease and the obligation of Tenant to pay Rent and to perform all of the other covenants and agreements of Tenant hereunder shall not be affected, impaired or excused by any Unavoidable Delays. Landlord's performance of Landlord's obligations under this Lease shall be excused to the extent that such performance is delayed due to any Unavoidable Delay(s). Landlord shall use reasonable efforts to promptly notify Tenant of any Unavoidable Delay which prevents Landlord from fulfilling any of its obligations under this Lease.

Section 26.17 Privileges and Immunities. Tenant is an agency of the State of Texas and nothing in this Lease will be construed as a waiver or relinquishment by Tenant of its right to claim such exemptions, privileges, and immunities as may be provided by law. There are or may be constitutional and statutory limitations on the authority of Tenant to enter into certain terms and conditions in this Lease, including, but not limited to, those terms and conditions relating to disclaimers and limitations of liability; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "Limitations"), and any terms and conditions related to the Limitations will not be binding on Tenant except to the extent permitted by the Constitution and laws of the State of Texas.

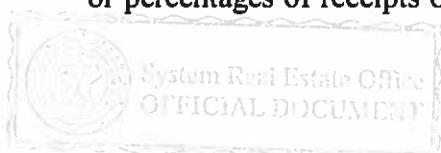
Section 26.18 Child Support. Landlord acknowledges that a child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with a direct ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. Under Section 231.006, *Texas Family Code*, Landlord certifies that the individual or business entity named in this Lease is not ineligible to receive payment from the state and acknowledges that this Lease may be terminated and payment may be withheld if this certification is inaccurate.



Section 26.19 Financial Statements. Tenant agrees to deliver to Landlord within ten (10) Business Days after written request, a balance sheet for Tenant as of the end of the most recent fiscal year and an income and loss statement for Tenant for such fiscal year; provided, however, that Tenant shall not be obligated to provide such financial information more than once during a calendar year. Notwithstanding the immediately preceding sentence, such once a year limitation shall not be applicable in the event Landlord is requesting such financial information in connection with a potential financing, re-financing or sale of the Project or an Event of Default has occurred under this Lease. Notwithstanding the foregoing, the provisions of this Section 26.19 shall not be applicable for so long as Tenant is an agency of the State of Texas.

Section 26.20 Changes to Project. Landlord shall have the following rights (i) to rearrange, change, expand or contract the Common Areas; (ii) to reasonably use Common Areas while engaged in making improvements, repairs or alterations to the Project; and (iii) to do and perform such other acts and make such other changes to the interior of the Building (including, without limitation, the lobbies, entrances, passageways, doors, doorways, atriums, corridors, elevators, stairs, Common Area restrooms, loading docks and parking garage) and the exterior of the Building (including, without limitation, the façade, roof, sidewalks, exterior windows and arcade), all as Landlord may from time to time in its reasonable judgment deem to be appropriate. Landlord may exercise any or all of the foregoing rights without being deemed to be guilty of an eviction, actual or constructive, or a disturbance of Tenant's business or use or occupancy of the Premises. Tenant acknowledges that it has no rights to any development rights, air rights or comparable rights appurtenant to the Project and Tenant consents, without further consideration, to any utilization of such rights by Landlord.

Section 26.21 Tax Status of Beneficial Owner. Tenant recognizes and acknowledges that Landlord and/or certain beneficial owners of Landlord may from time to time qualify as real estate investment trusts pursuant to Sections 856 *et seq.* of the Internal Revenue Code of 1986 as amended (the "Code") and that avoiding (i) the loss of such status, (ii) the receipt of any income derived under any provision of this Lease that does not constitute "rents from real property" (in the case of real estate investment trusts), and (iii) the imposition of income, penalty or similar taxes (each an "Adverse Event") is of material concern to Landlord and such beneficial owners. In the event that this Lease or any document contemplated hereby could, in the opinion of counsel to Landlord, result in or cause an Adverse Event, Tenant agrees to cooperate with Landlord in negotiating an amendment or modification thereof and shall at the request of Landlord and, to the extent not prohibited by the Constitution or the laws of the State of Texas, execute and deliver such documents reasonably required to effect such amendment or modification. Any amendment or modification pursuant to this Article shall be structured so that the economic results to Landlord and Tenant shall be substantially similar to those set forth in this Lease without regard to such amendment or modification. Without limiting any of Landlord's other rights under this Section, Landlord may waive the receipt of any amount payable to Landlord hereunder and such waiver shall constitute an amendment or modification of this Lease with respect to such payment. Tenant expressly covenants and agrees not to enter into any sublease or assignment which provides for rental or other payment for such use, occupancy, or utilization based in whole or in part on the net income or profits derived by any person from the property leased, used, occupied, or utilized (other than an amount based on a fixed percentage or percentages of receipts or sales), and that any such purported sublease or assignment shall be



absolutely void and ineffective as a conveyance of any right or interest in the possession, use, occupancy, or utilization of any part of the Premises.

Section 26.22 Time is of the Essence. Time is of the essence under this Lease.

Section 26.23 OFAC. Tenant represents and warrants to Landlord that Tenant is not and shall not become a person or entity with whom Landlord is restricted from doing business under any regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

Section 26.24 Right to Audit. Tenant's auditors and the State Auditor of Texas shall have the right, at their sole expense, upon at least thirty (30) days prior written notice to Landlord, to audit Landlord's books and records relevant to payments made to Landlord, including rent, additional rent, common area maintenance costs, or any other cost or expense paid to Landlord, directly or indirectly, by Tenant. Such audit shall be conducted during regular business hours and at Landlord's offices where Landlord's books and records are maintained. Prior to any such audit, Tenant and its auditors shall execute and deliver to Landlord a confidentiality agreement, in form and substance reasonably satisfactory to Landlord, Tenant and such auditors, whereby Tenant and its auditors agree not to disclose to any third party any of the information obtained in connection with such review. If such audit is not reasonably disputed by Landlord and reveals an overpayment by Tenant to Landlord, then Landlord shall refund all amounts overpaid within thirty (30) days after delivery of the audit report to Landlord.

ARTICLE 27 OPTION TO EXTEND

Section 27.1 Renewal Terms. Landlord hereby grants to Tenant the conditional right, exercisable at Tenant's option, to renew the term of this Lease for two (2) successive terms of five (5) years each (each, a "Renewal Term"). If exercised, and if the conditions applicable thereto have been satisfied, the first such Renewal Term (the "**First Renewal Term**") shall commence immediately following the end of the initial Term and the second Renewal Term (the "**Second Renewal Term**") shall commence immediately following the end of the First Renewal Term. The rights of renewal herein granted to Tenant shall be subject to, and shall be exercised in accordance with, the following terms and conditions:

(a) Tenant shall exercise its right of renewal with respect to a Renewal Term by giving Landlord written notice of such election not earlier than eighteen (18) months nor later than fifteen (15) months prior to the expiration of the then-current Term. The parties shall have thirty (30) days after Landlord's timely receipt of such notice in which to agree on the fair market rent that shall apply during the applicable Renewal Term. "**Fair Market Rent**" shall mean what



a comparable tenant would pay, and a willing landlord of a comparable building located within the Central Business District submarket of Washington, D.C. would accept, at arm's length, for a comparable amount of space for a comparable period of time, giving appropriate consideration to all relevant factors, including, but not limited to: building age, location, project/premises square feet, rental rates, term, abatement, brokerage commissions, renovation allowances and other generally acceptable economic concessions and applicable conditions of a tenancy for a comparable renewal transaction. If during such thirty (30) day period the parties agree on such Fair Market Rent applicable to each year of the Renewal Term, then they shall promptly execute an amendment to this Lease stating the Fair Market Rent so agreed upon. If during such thirty (30) day period the parties are unable, for any reason whatsoever, to agree on such Fair Market Rent, then within five (5) days thereafter, the parties shall each appoint an independent real estate broker who shall be licensed in the District of Columbia and who specializes in the field of commercial office space leasing in the Washington, D.C. market, has at least ten (10) years of experience, and is recognized within the field as being reputable and ethical. Such two individuals shall each determine within ten (10) days after their appointment such Fair Market Rent. If such individuals agree on the Fair Market Rent, such determination shall be binding. If such individuals do not agree on such Fair Market Rent, then the two individuals shall, within five (5) days, render separate written reports of their determinations and together appoint a third similarly qualified independent individual. The third individual shall, within ten (10) days after his or her appointment, select one of the two prior brokers' determinations, but shall not make his or her own independent determination, and such determination shall be binding. Landlord and Tenant shall each bear the cost of its broker and shall share equally the cost of the third broker. Upon determination of the Fair Market Rent pursuant to this Section, the parties shall promptly execute an amendment to this Lease stating the Fair Market Rent so determined.

(b) If any renewal notice is not given timely, then Tenant's right of renewal with respect to the applicable Renewal Term (and any subsequent Renewal Term) shall lapse and be of no further force or effect.

(c) If an Event of Default exists under this Lease on the date Tenant sends a renewal notice or any time thereafter until the applicable Renewal Term is to commence, then, at Landlord's election, such Renewal Term shall not commence and the Term shall expire at the expiration of the then-current Term.

(d) Tenant's right of renewal under this Section may be exercised only by Tenant or an assignee that is a Permitted Transferee and may not be exercised by any transferee, sublessee or other assignee of Tenant.

(e) If, at the time Landlord receives Tenant's renewal notice, twenty-five percent (25%) or more of the Premises is subleased or this Lease has been assigned, or if this Lease has been terminated with respect to any such portion pursuant to Section 13.2, then, at Landlord's election, Tenant's rights pursuant to this Article shall lapse and be of no further force or effect.

(f) If Tenant timely exercises the right to extend this Lease for the Renewal Term, then all then current terms and conditions of this Lease shall apply, except that the Fair



Market Rent shall be as specified above, and no abatement or allowances shall apply (except as may be otherwise determined above) and Tenant shall have no further right to renew or extend the Term past the Second Renewal Term.

(g) If Tenant's right of renewal with respect to the First Renewal Term lapses for any reason, then Tenant's right of renewal with respect to the Second Renewal Term shall similarly lapse and be of no further force or effect.

(h) Tenant's rights under this Section are subject and subordinate to all expansion and other rights of all present tenants of the Building existing as of the Effective Date. Notwithstanding anything herein to the contrary, if Landlord, in its sole discretion, determines that it intends to redevelop the Building during the Second Renewal Term, then Landlord shall notify Tenant thereof within thirty (30) days after Landlord's receipt of Tenant's election to renew for the Second Renewal Term, and in such event Tenant's right to renew the Term for the Second Renewal Term shall immediately lapse and expire.

ARTICLE 28

ANTENNA

Section 28.1 Right to Install. Tenant shall have the non-exclusive right, at Tenant's expense, and for its own use, to purchase, install, maintain and operate one standard sized telecommunications antenna (the "Antenna") at a location on the roof of the Building determined by Landlord (the "Antenna Space"). Tenant will be required, at Tenant's expense, to screen the Antenna on all sides, which screening shall be subject to Landlord's reasonable approval including, without limitation, the materials and appearance of the screening.

Section 28.2 Specifications. Prior to installing the Antenna, Tenant shall furnish detailed plans and specifications (including the color, material and all other relevant specifications) for the Antenna (or any modification) to Landlord for approval, which approval will not be unreasonably withheld; provided, Landlord shall have the right, in its sole discretion, to limit the location, size, height, width and weight of the Antenna and to prohibit any Antenna which Landlord determines not to be aesthetically acceptable or which is otherwise visible from street level. In no event shall the Antenna (including without limitation any guy wires) be located outside of the Antenna Space. If Landlord determines it to be reasonably necessary, Landlord shall have the right to require, at Tenant's expense, that a structural engineering report be prepared prior to Landlord's approval of any proposed Antenna.

Section 28.3. Use. Tenant will use the Antenna solely for the transmission of content produced, modified or consumed by Tenant (as opposed to the unmodified transfer of content between two customers, such as that engaged in by a cellular telephone company) and for no other purpose. Tenant will not lease, sublease, license, assign or otherwise allow the Antenna to be used by any third party, other than by a Related Entity or an assignee of this Lease or a subtenant approved by Landlord in accordance with the terms of this Lease.

Section 28.4 Costs. Tenant shall pay all costs of purchase, design, installation, operation, permitting, utilization, insurance, replacement, maintenance and removal of the Antenna. Any provision of this Lease to the contrary notwithstanding, Landlord shall have the right to separately meter the Antenna for electricity or to cause Tenant to separately meter the Antenna for electricity, in either case, at Tenant's expense, and, in such case, Tenant shall pay as Additional Rent the electricity charges for the Antenna directly to Landlord or to the electricity provider, as Landlord shall reasonably determine. Tenant shall pay to Landlord within thirty (30) days after Landlord sends Tenant an invoice therefor, all reasonable costs actually incurred by Landlord in connection with Landlord's review and inspection of Tenant's plans for the Antenna and the installation thereof.

Section 28.5 Permits and Approvals. Tenant shall be responsible for procuring all licenses and permits that may be required for the installation, use or operation of the Antenna, and Landlord makes no warranties or representations as to the permissibility or the permitability of the Antenna under applicable Requirements. Prior to installing the Antenna, Tenant will deliver to Landlord reasonable evidence of Tenant's having obtained all governmental, community or owner association and architectural control committee consents or approvals to the extent required in connection with the installation and maintenance of the Antenna.

Section 28.6 Installation. Upon Landlord's written approval of the plans and specifications for the Antenna, which approval shall not be unreasonably withheld, the Antenna shall be installed by Tenant's contractor, which contractor shall be subject to Landlord's reasonable approval. Tenant shall (i) construct and maintain the Antenna in good working order and construct, maintain and operate the Antenna in compliance with all applicable Requirements; (ii) install, utilize and operate the Antenna in accordance with the specifications approved by Landlord as provided above and any Governmental Authorities that approved its installation; and (iii) construct the Antenna in accordance with the Building's Rules and Regulations and any other reasonable regulations promulgated by Landlord pertaining to construction in or on the Building by third-party contractors.

Section 28.7 Removal. Upon the expiration or termination of this Lease, Tenant's rights under this Article shall cease and Tenant shall, upon demand by Landlord, remove the Antenna and all special cabling associated therewith and repair any damage caused to the Building by the Antenna, including the installation and the removal thereof.

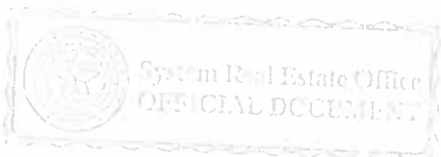
Section 28.8 Nonexclusive License. Tenant is hereby granted such nonexclusive licenses for (i) use of a reasonable portion of any Building shafts (to the extent such shafts have available capacity and as such shafts are identified by Landlord) to install the electrical or communication wiring; (ii) access to the roof at all reasonable times during Ordinary Business Hours and in emergencies; and (iii) use of the Antenna Space to install and operate the Antenna. The Antenna shall be connected to the Premises by cable (or other appropriate means), the installation of which shall be performed by Tenant at Tenant's cost. Tenant will physically label or otherwise mark all of Tenant's cables for easy identification by Landlord. Landlord will endeavor to provide Tenant with a relatively efficient (i.e., direct) cabling route using the existing Building shafts and conduit to connect the Antenna to the Premises.



Section 28.9 Other Parties' Rights. Landlord has advised Tenant that other parties (including, without limitation, other tenants of the Building) have certain rights to erect communications systems on the roof of the Building. Landlord shall have the right for itself and to permit other parties (including, without limitation, current and future tenants) to use portions of the roof for communications equipment or for any other use so long as such use does not unreasonably interfere with Tenant's use. Landlord shall make commercially reasonable efforts to minimize interference (but Landlord does not guaranty that there will not be any interference) with Tenant's use of its Antenna by other tenants' antenna equipment on the roof of the Building. Tenant covenants that it will not use its Antenna in a manner that will interfere with Landlord's and/or any other party's (including, without limitation, any current or future tenant's) use of the roof of the Building for communications equipment or for any other use as such use exists on the day on which Tenant begins to operate its Antenna.

Section 28.10 Building Repairs. Tenant acknowledges that Landlord might decide, from time to time, to repair or replace the roof or other portions of the Building in the vicinity of or otherwise affecting the Antenna ("**Building Repairs**"). If Landlord elects to make Building Repairs, Tenant shall, within twenty (20) days after Tenant's receipt of Landlord's written request, temporarily remove or temporarily or permanently relocate the Antenna to a location at the Building selected by Landlord and reasonably acceptable to Tenant. All costs of removing, reinstalling and recalibrating the Antenna shall be paid by Tenant. Landlord shall not be liable to Tenant for any damages, lost profits or other costs or expenses incurred by Tenant arising in connection with the Building Repairs.

[SIGNATURES FOLLOW]



IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

1747 PENNSYLVANIA AVENUE, L.P.,
a Delaware limited partnership

By: _____
Name: _____
Title: _____

TENANT:

THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM,
an agency of the State of Texas

By: _____
JOHN SHARP
Chancellor

RECOMMENDED APPROVAL:

By: _____
SCOTT SUDDUTH
Associate Vice Chancellor for Federal Programs

APPROVED AS TO FORM:


By: _____
GINA JOSEPH
Managing Counsel, Property and Construction
Office of General Counsel
The Texas A&M University System



IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

1747 PENNSYLVANIA AVENUE, L.P.,
a Delaware limited partnership

By: 

Name: Paul A. Galiano

Title: Senior Managing Director

TENANT:

THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM,
an agency of the State of Texas

By: _____

JOHN SHARP
Chancellor

RECOMMENDED APPROVAL:

By: _____

SCOTT SUDDUTH
Associate Vice Chancellor for Federal Programs

APPROVED AS TO FORM:

By: _____

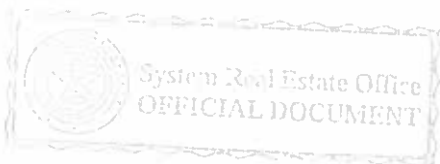
GINA JOSEPH
Managing Counsel, Property and Construction
Office of General Counsel
The Texas A&M University System

Exhibit A

Floor Plan

The floor plan which follows is intended solely to identify the general location of the Premises, and should not be used for any other purpose. All areas, dimensions and locations are approximate, and any physical conditions indicated may not exist as shown.

Note: Furniture shown is for illustrative purposes only



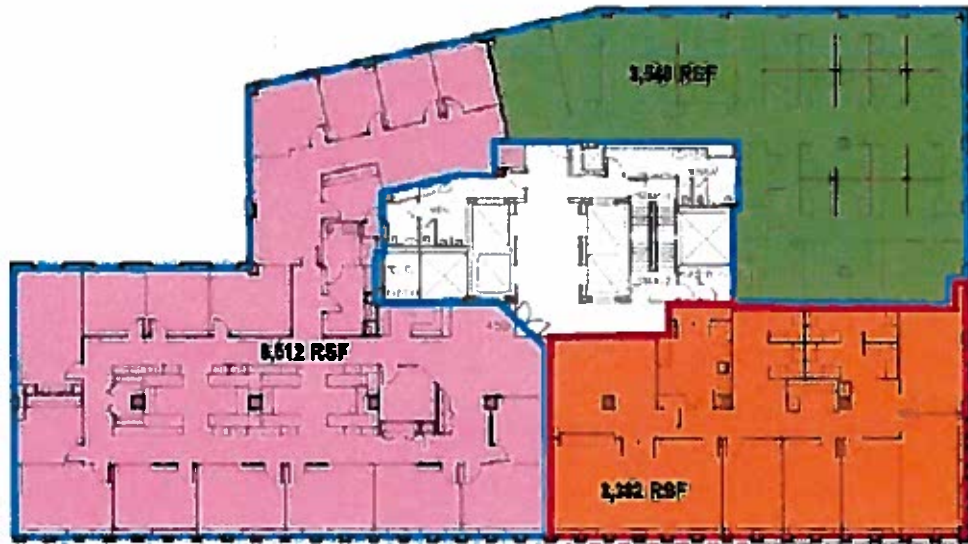


TISHMAN SPEYER

Exhibit A

Existing Premises (3,382 RSF) is outlined in Red

Expansion Premises (6,512 + 3,549 = 10,061 RSF) is outlined in Blue



PROPOSED EXPANSION FLOOR PLAN



Exhibit "A" - 1

Land

All that certain lot or parcel of land together with all improvements thereon located and being in the City of Washington in the District of Columbia and being more particularly described as follows:

Lot numbered Thirty-three (33) in Square numbered One Hundred Sixty-six (166) in a subdivision made by Oliver T. Carr, Jr. and George H. Beuchert, Jr., Trustees, and A. James Clark, as per plat recorded in Liber 153, at folio 180 in the Office of the Surveyor for the District of Columbia.



Exhibit B

Definitions

Base Building Systems: The structural components of the Building and the mechanical, electrical, plumbing, sanitary, sprinkler, heating, ventilation and air conditioning, security, life-safety and other service systems or facilities of the Building up to the point of connection for localized distribution to the Premises (it being agreed that supplemental HVAC systems of tenants, and the mechanical, electrical, plumbing, sanitary, sprinkler, heating, ventilation and air conditioning, security, life-safety and other service systems or facilities of the Building from the point of connection to the base Building risers, feeders, panelboards, etc. for localized distribution to the Premises are not Base Building Systems) and the mechanical, electrical, plumbing, heating, ventilation and air conditioning, elevators and other service systems or facilities servicing the Common Areas.

Base Rate: The annual rate of interest publicly announced from time to time by Citibank, N.A., or its successor, in New York, New York as its "base rate" or "prime rate" (or such other term as may be used by Citibank, N.A., from time to time, for the rate presently referred to as its "base rate").

Business Days: All days, excluding Saturdays, Sundays, Holidays and other days normally observed as holidays by landlords of other Comparable Buildings.

Business Hours: 8:00 a.m. to 8:00 p.m. on weekdays and 9:00 a.m. to 3:00 p.m. on Saturdays, excluding Holidays.

Common Areas: The lobby, the Parking Facility, any rooftop terrace, fitness or health center, plaza and sidewalk areas and other similar areas of general access at the Building or designated for the benefit of Building tenants and the areas on multi-tenant floors in the Building devoted to corridors, elevator lobbies, restrooms (other than those that are wholly contained within a tenant's premises), and other similar facilities serving the Premises.

Comparable Buildings: First-class office buildings of comparable age and size in the central business district of the District of Columbia.

Deficiency: The difference between (i) the Fixed Rent and Additional Rent for the period which otherwise would have constituted the unexpired portion of the Term (assuming the Additional Rent for each year thereof to be the same as was payable for the year immediately preceding such termination or re-entry), and (ii) the net amount, if any, of rents collected under any reletting effected pursuant to the provisions of the Lease for any part of such period (after first deducting from such rents all reasonable expenses incurred by Landlord in connection with the termination of this Lease, Landlord's re-entry upon the Premises and such reletting, including repossession costs, brokerage commissions, attorneys' fees and disbursements, and alteration costs).

Excluded Expenses: (i) Taxes; (ii) franchise or income taxes imposed upon Landlord; (iii) mortgage amortization and interest; (iv) leasing commissions; (v) the cost of



tenant installations and decorations incurred in connection with preparing space for any Building tenant, including work letters and concessions; (vi) rental payments made under any ground lease, except to the extent such rental payments represent Taxes or the provision of goods and/or services that, if provided by Landlord, would be includable in Operating Expenses; (vii) management fees to the extent in excess of three percent (3%) of the gross rentals and other revenues collected for the Project; (viii) wages, salaries and benefits paid to or taxes paid for any persons not directly involved with the management of the Building or the oversight thereof; (ix) legal and accounting fees relating to (A) disputes with tenants, prospective tenants or other occupants of the Building, (B) disputes with purchasers, prospective purchasers, mortgagees or prospective mortgagees of the Building or the Project or any part of either, or (C) negotiations of leases, contracts of sale or mortgages; (x) costs of any utilities, amenities, service or increased level of service provided to a tenant of the Building that are not provided or available to Tenant (including any overtime premiums to perform such work or services); (xi) costs that are reimbursed out of insurance, warranty or condemnation proceeds, or which are reimbursable by Tenant or other tenants other than pursuant to an expense escalation clause; (xii) costs in the nature of penalties or fines; (xiii) costs for services, supplies or repairs paid to any related entity in excess of costs that would be payable in an "arm's length" or unrelated situation for comparable services, supplies or repairs; (xiv) allowances, concessions or other costs and expenses of improving or decorating any demised or demisable space in the Building; (xv) appraisal, advertising and promotional expenses in connection with leasing of the Building; (xvi) the costs of installing, operating and maintaining a specialty improvement, including a cafeteria, lodging or private dining facility, or an athletic, luncheon or recreational club unless Tenant is permitted to make use of such facility without additional cost or on a subsidized basis consistent with other users; (xvii) any costs or expenses (including fines, interest, penalties and legal fees) arising out of Landlord's failure to timely pay Operating Expenses or Taxes; (xviii) costs incurred in connection with the removal, encapsulation or other treatment of asbestos or any other Hazardous Materials (classified as such on the Effective Date) existing in the Premises as of the date hereof; (xix) the cost of capital improvements other than those expressly included in Operating Expenses pursuant to Section 7.1; (xx) depreciation and amortization of capital improvements, except to the extent included in Section 7.1; (xxi) costs incurred by Landlord for the original development and construction of the Building; (xxii) any costs actually reimbursed under any service contracts or under the warranty of any general contractor, subcontractor or supplier and realized by Landlord; (xxiii) fees paid by Landlord to the Operator; (xxiv) reserves for repairs, maintenance and replacements; and (xxv) amounts paid to any partners, shareholders, officers or directors of Landlord for salary or other compensation.

Governmental Authority: The United States of America, the State or any political subdivision, agency, department, commission, board, bureau or instrumentality of any of the foregoing, now existing or hereafter created, having jurisdiction over the Project.

Hazardous Materials: Any substances, materials or wastes currently or in the future deemed or defined in any Requirement as "hazardous substances," "toxic substances," "contaminants," "pollutants" or words of similar import.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving day and Christmas day.



HVAC System: The Base Building System designed to provide heating, ventilation and air conditioning.

Landlord Party(ies): Landlord, Landlord's Agent, each Mortgagee and Lessor, and each of their respective direct and indirect partners, officers, shareholders, directors, members, managers, trustees, beneficiaries, employees, principals, contractors, servants, agents, and representatives.

Lease Year: The first (1st) Lease Year shall begin on the Commencement Date and shall end on the last day of the calendar month preceding the month in which the first (1st) anniversary of the Commencement Date occurs. Each succeeding Lease Year shall commence on the day following the end of the preceding Lease Year and shall extend for twelve (12) consecutive months; provided, however, that the last Lease Year shall expire on the Expiration Date.

Lessor: A lessor under a Superior Lease.

Losses: Any and all losses, liabilities, damages, claims, judgments, fines, suits, demands, costs, interest and expenses of any kind or nature (including reasonable attorneys' fees and disbursements) incurred in connection with any claim, proceeding or judgment and the defense thereof, and including all costs of repairing any damage to the Premises or the Building or the appurtenances of any of the foregoing to which a particular indemnity and hold harmless agreement applies.

Mortgage(s): Any mortgage, trust indenture or other financing document which may now or hereafter affect the Premises, the Project, the Building or any Superior Lease and the leasehold interest created thereby, and all renewals, extensions, supplements, amendments, modifications, consolidations and replacements thereof or thereto, substitutions therefor, and advances made thereunder.

Mortgagee(s): Any mortgagee, trustee or other holder of a Mortgage.

Prohibited Use: Any use or occupancy of the Premises that in Landlord's reasonable judgment would: (i) cause damage to the Building or any equipment, facilities or other systems therein; (ii) impair the appearance of the Building; (iii) interfere with the efficient and economical maintenance, operation and repair of the Premises or the Building or the equipment, facilities or systems thereof; (iv) adversely affect any service provided to, and/or the use and occupancy by, any Building tenant or occupants; (v) violate the certificate of occupancy issued for the Premises or the Building; (vi) materially and adversely affect the first-class image of the Building; (vii) result in protests or civil disorder or commotion at, or other disruptions of the normal business activities in, the Building, or (viii) breach any covenants, conditions and/or restrictions now or hereafter of record with respect to the Building. **Prohibited Use** also includes the use of any part of the Premises for: (i) a restaurant or bar; (ii) the preparation, consumption, storage, manufacture or sale of food or beverages (except in connection with vending machines (provided that each machine, where necessary, shall have a waterproof pan thereunder and be connected to a drain) and/or warming kitchens installed for the use of Tenant's employees only), liquor, tobacco or illicit drugs; (iii) the business of photocopying, multilith or offset printing

(except photocopying in connection with Tenant's own business); (iv) a classroom (however the occasional use of conference rooms in the Premises for purposes of training personnel, associates or possibly some students is not considered a Prohibited Use); (v) lodging or sleeping; (vi) the operation of retail facilities (meaning a business whose primary patronage arises from the generalized solicitation of the general public to visit Tenant's offices in person without a prior appointment) of a savings and loan association or retail facilities of any financial, lending, securities brokerage or investment activity; (vii) a payroll office serving persons whose primary place of work is not the Premises; (viii) a barber, beauty or manicure shop; (ix) an employment agency or similar enterprise; (x) offices of any Governmental Authority, any foreign government, the United Nations, or any agency or department of the foregoing, however the foregoing shall not prohibit Tenant or Related Entities of Tenant from occupying the Premises; (xi) the manufacture, retail sale, storage of merchandise or auction of merchandise, goods or property of any kind to the general public which could reasonably be expected to create a volume of pedestrian traffic substantially in excess of that normally encountered in the Premises; (xii) the rendering of medical, dental or other therapeutic or diagnostic services; (xiii) any illegal purposes or any activity constituting a nuisance; or (xiv) a use that might be reasonably anticipated to attract a volume, frequency or type of visitor or employee to the Building which is not consistent with the standards of a high quality office building or that will impose an excessive demand on or use of the facilities or services of the Building.

Requirements: All present and future laws, rules, orders, ordinances, regulations, statutes, requirements, codes and executive orders, extraordinary and ordinary of (i) all Governmental Authorities, including the Americans With Disabilities Act, 42 U.S.C. §12101 (et seq.), and any law of like import, and all rules, regulations and government orders with respect thereto, and any of the foregoing relating to Hazardous Materials, environmental matters, public health and safety matters and landmarks protection, (ii) any applicable fire rating bureau or other body exercising similar functions, affecting the Project or the maintenance, use or occupation thereof, or any street, avenue or sidewalk comprising a part of or in front thereof or any vault in or under the same, (iii) all requirements of all insurance bodies affecting the Premises, and (iv) utility service providers.

Rules and Regulations: The rules and regulations annexed to and made a part of this Lease as **Exhibit "E" - Rules and Regulations**, as they may be reasonably modified from time to time by Landlord.

Specialty Alterations: Alterations which are not standard office installations, such as kitchens (other than a pantry installed for the use of Tenant's employees only and of the type normally found in the space of office tenants in Comparable Buildings), executive bathrooms, raised computer floors, SCIF rooms and all installations, equipment, appurtenances and/or improvements therein, computer room installations, supplemental HVAC equipment and components, safe deposit boxes, vaults, libraries or file rooms requiring reinforcement of floors, internal staircases, slab penetrations, conveyors, dumbwaiters, non-Building standard life safety systems, security systems or lighting and other Alterations of a similar character. All Specialty Alterations are Above Building Standard Installations.



State: The state, commonwealth or other applicable governmental district (e.g., the District of Columbia) in which the Building is located.

Substantial Completion: As to any construction performed by any party, "Substantial Completion" or "Substantially Completed" means that (a) such work has been completed, as reasonably determined by Landlord's architect, in accordance with (i) the provisions of this Lease applicable thereto, and (ii) the plans and specifications for such work, except for any Punch List work, and (b) Tenant shall have received a certificate of occupancy (or temporary certificate of occupancy).

Superior Lease(s): Any ground or underlying lease of the Project or any part thereof heretofore or hereafter made by Landlord and all renewals, extensions, supplements, amendments, modifications, consolidations, and replacements thereof.

Tenant Delay(s): To the extent that Landlord has an obligation to design, construct, repair, rebuild, restore, install, order, obtain or complete any items or improvements at the Building, a delay in Landlord's completion thereof caused by:

a. Tenant's request for value engineering or any changes to any drawings, plans or specifications for the Premises (notwithstanding Landlord's approval of such changes) after Landlord and Tenant have approved such drawings, plans or specifications;

b. Tenant's request for improvements, items, materials, finishes or installations that are not consistent with the standards to which the Base Building Systems have been designed;

c. Tenant's request for improvements, items, materials, finishes or installations that are not available as needed to meet Landlord's (or Landlord's contractor's) schedule for Substantial Completion, provided that Landlord (or Landlord's contractor's) shall notify Tenant of any potential long lead items to the extent known to Landlord (or Landlord's contractor's) at the time such material, finish or installation is requested or as soon as reasonably possible thereafter;

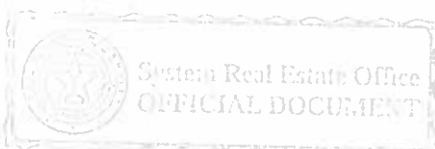
d. Tenant's request for or design of any improvements that include items or improvements not typically found in the office space at Comparable Buildings;

e. the ordering, delivery or installation of any of Tenant's Equipment (as defined in **Exhibit C-Work Agreement**);

f. intentionally omitted;

g. Tenant's or the Project Manager's architect's, agent's, representative's or contractor's interference with the work of Landlord or Landlord's contractor;

h. Tenant's failure to fully and timely comply with the deadlines and other terms set forth in the Lease; or



i. any other act or omission by Tenant or any employee, architect, agent, representative or contractor of Tenant constituting a Tenant Delay under the terms of this Lease or any exhibit, rider, annex, schedule, work letter or other document or agreement entered in connection with this Lease, attached to this Lease or incorporated in this Lease by reference.

Tenant Party(ies): Tenant and any subtenants or occupants of the Premises and their respective agents, contractors, subcontractors, employees, invitees or licensees.

Tenant's Property: Tenant's movable fixtures and movable partitions, telephone and other equipment, computer systems, trade fixtures, furniture, furnishings, Tenant's Equipment and other items of personal property which are removable without material damage to the Premises or the Building.

Unavoidable Delays: Landlord's inability to fulfill or delay in fulfilling any of its obligations under this Lease expressly or impliedly to be performed by Landlord or Landlord's inability to make or delay in making any repairs, additions, alterations, improvements or decorations or Landlord's inability to supply or delay in supplying any equipment or fixtures, if Landlord's inability or delay is due to or arises by reason of strikes, labor troubles or by accident, or by any cause whatsoever beyond Landlord's reasonable control, including governmental preemption in connection with a national emergency, permitting and inspection delays beyond the normal applicable waiting period, Requirements or shortages, or unavailability of labor, fuel, steam, water, electricity or materials, or delays caused by Tenant or other tenants, mechanical breakdown, acts of God, enemy action, civil commotion, fire or other casualty.



Exhibit C

Work Agreement

This Work Agreement is a part of the Lease to which it is attached. In the event of any conflict between the terms of this Work Agreement and the terms of the Lease, the terms of this Work Agreement shall control.

Article 1 - Definitions

1. Definitions.

1.1 **“Base Building Plans”** means those certain base building plans and specifications for the Building.

1.2 **“Business Day”** has the meaning given such term in the Lease.

1.3 **“Change Order”** means any change in any of the TI Plans after Landlord has approved any such plan and/or any change in the work or materials to be included in the Tenant Improvements.

1.4 **“Commencement Date”** has the meaning given such term in the Lease.

1.5 **“Comparable Building”** has the meaning given such term in the Lease.

1.6 **“Contractor”** means the general contractor engaged to construct and install the Tenant Improvements.

1.7 **“Construction Hard Costs”** means all costs in the demolition, construction and installation of the Tenant Improvements and acquiring the materials for the Tenant Improvements; provided, however, that any existing materials in the Premises that Tenant reuses (*i.e.* lights, doors, frames, hardware, and the like) shall be at no cost to Tenant and shall not be included in Construction Hard Costs. Construction Hard Costs do not include the cost of Tenant’s Equipment.

1.8 **“Effective Date”** has the meaning given such term in the Lease.

1.9 **“Engineers”** means the mechanical, electrical, plumbing and structural engineers and other licensed third-parties engaged to assist in the preparation of the TI Plans.

1.10 **“Essential Subs”** means those subcontractors to be specifically designated by Landlord acting reasonably for purposes of working on the Building mechanical, energy management, structural, exterior windows (including window removal and reinstallation for hoisting purposes), roof (excluding HVAC), sprinkler and fire and life safety systems.

1.11 **“Final Space Plan”** means a detailed space plan for the Tenant Improvements prepared by the TI Architect, which space plan shall be substantially in conformance with the



Preliminary Plan approved by Landlord and any updates or changes thereto approved by Landlord and shall contain the information and otherwise comply with the requirements set forth on Annex 2 attached hereto.

1.12 **"Improvement Costs"** means, collectively, (i) the Planning Costs; (ii) the Construction Hard Costs; (iii) permitting costs; (iv) the project management fee, and (v) Landlord's Fee.

1.13 **"Landlord's Contribution"** has the meaning given such term in the Lease.

1.14 **"Landlord's Fee"** means a fee payable to Landlord equal to 1.5% of the Construction Hard Costs, which shall be deducted from and paid out of Landlord's Contribution. Landlord shall engage the project manager (the **"Project Manager"**), which shall be C2C, Inc. subject to the execution of a project management agreement that is mutually acceptable to Landlord, Tenant and the Project Manager. C2C, Inc. shall be paid a project management fee in the amount of five percent (5%) of the Improvement Costs (save and except the Landlord's Fee and the project management fee), and the cost of voice/data cabling, audiovisual systems, graphics, signage, security systems, furniture, moving costs, and any other items procured by the Project Manager, which project management fee shall be deducted from and paid out of Landlord's Contribution.

1.15 **"Landlord's Representative"** means Rustom A. Cowasjee, whose address is Tishman Speyer Properties, 1875 Eye Street, NW, Suite 300, Washington, DC 20006 and whose telephone number is (202) 420-2123 and whose telecopier number is (202) 777-0370 and/or Sharon Fitzgerald, whose address Tishman Speyer Properties, L.P., 1655 N. Fort Myer Drive, Suite 325, Arlington, Virginia 22209 and whose telephone number is (703) 522-1142 and whose email address is sfitzgerald@tishmanspeyer.com.

1.16 **"Permits"** means all necessary permits in connection with the Tenant Improvements.

1.17 **"Planning Costs"** means all architectural, space planning, engineering and other costs related to the design of the Tenant Improvements including, without limitation, the fees of the TI Architect, the Engineers and the professionals preparing and/or reviewing the TI Plans (or any of them).

1.18 **"Plans and Specifications"** means all architectural plans, construction drawings and specifications necessary and sufficient (i) for the construction of the Tenant Improvements in accordance with the Final Space Plan and (ii) to enable the Contractor to obtain all necessary Permits for the construction of the Tenant Improvements, and which shall contain the information and otherwise comply with the requirements set forth on Annex 3 attached hereto.

1.19 **"Preliminary Plan"** means a preliminary space plan prepared by the TI Architect showing the general layout of the Premises upon completion of the Tenant Improvements, which space plan shall contain the information and otherwise comply with the requirements set forth on Annex 1 attached hereto.



1.20 **"Punch List Work"** means minor details of construction, decoration and mechanical adjustment, if any, the noncompletion of which do not materially interfere with the use of the relevant portion of the Building.

1.21 **"Requirements"** has the meaning given such term in the Lease.

1.22 **"Substantial Completion"** and **"Substantially Completed"** have the meanings given such terms in the Lease.

1.23 **"TI Architect"** means the architect engaged by the Project Manager to design the Tenant Improvements and prepare the TI Plans.

1.24 **"Contractors"** means Contractor and all subcontractors and sub-subcontractors (including the Essential Subs) who will work on the Tenant Improvements.

1.25 **"Tenant's Equipment"** means any telephone, telephone switching, telephone and data cabling, furniture, computers, servers, Tenant's trade fixtures and other personal property to be installed by or on behalf of Tenant in the Premises.

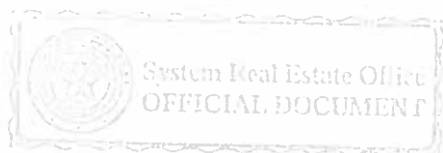
1.26 **"Tenant Improvements"** and **"TI"** means the improvements set forth in the TI Plans as approved by Landlord in accordance with the terms of this Work Agreement.

1.27 **"TI Plans"** means the Preliminary Plan, the Final Space Plan and the Plans and Specifications.

1.28 **"Tenant's Representative"** means either the Project Manager or Audrey Rohloff Ecklund, whose address is 301 Tarrow, Suite 261, College Station, Texas 77840, whose telephone number is (979)458-7084 and whose telecopier number is (979)458-7030 and whose email address is arohloff@tamus.edu. If at any time there is more than one Tenant's Representative, the act of either (or any one) of Tenant's Representatives shall be sufficient to bind the Tenant. Notwithstanding the foregoing, for purposes of approving any request for consent to any Change Order that will result in a net increase in cost to Tenant of \$10,000 or more, the consent of Audrey Rohloff Ecklund shall be required.

1.29 **"Unavoidable Delay"** has the meaning given such term in the Lease.

Capitalized terms used but not defined in this Work Agreement shall have the meanings given such terms in the Lease.



Article 2 – Plans

2.1 **TI Architect and Engineers.** Landlord shall engage the Project Manager who shall retain the TI Architect and Engineers to design the Tenant Improvements and prepare the TI Plans and the general contractor to construct the Tenant Improvements. The TI Architect and the Engineers shall be subject to Landlord's reasonable approval, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord shall use commercially reasonable efforts to enforce the terms of the agreement between Landlord and the Project Manager (the "**Project Management Agreement**"), however, Tenant shall reimburse Landlord for any costs incurred by Landlord in connection therewith, and, notwithstanding anything in this Lease to the contrary, Landlord shall have no liability to Tenant that results from the Project Manager's failure to comply with the requirements of the Project Management Agreement nor shall Tenant's obligations under this Lease be affected thereby. Landlord shall have the right to amend the Project Management Agreement from time to time (or enter into other contracts at Tenant's cost) as Landlord determines is reasonably necessary to complete the Tenant Improvements pursuant to this Work Agreement.

2.2 **Preliminary Plan.** Project Manager shall work with the TI Architect to enable the TI Architect to prepare all plans and drawings required to construct the Tenant Improvements. Within ten (10) Business Days after the Effective Date, Project Manager shall deliver the Preliminary Plan to Landlord for Landlord's approval. Within ten (10) Business Days after Project Manager delivers the Preliminary Plan to Landlord, Landlord shall advise Project Manager of Landlord's approval or disapproval of the Preliminary Plan (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Within three (3) Business Days after Landlord notifies Project Manager of Landlord's objections, Project Manager shall revise the proposed Preliminary Plan to address Landlord's objections and deliver the revised Preliminary Plan to Landlord for Landlord's approval. Within three (3) Business Days after Project Manager delivers the revised Preliminary Plan to Landlord, Landlord shall advise Project Manager of Landlord's approval or disapproval of the revised Preliminary Plan (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Project Manager and Landlord shall continue to follow the revision, delivery and notice of objections procedure and schedule set forth above until Landlord approves the Preliminary Plan. Landlord will not unreasonably withhold its approval of the Preliminary Plan.

2.3 **Final Space Plan.** Within twenty (20) Business Days after Landlord approves the Preliminary Plan, Project Manager shall deliver the Final Space Plan to Landlord for Landlord's approval. Within ten (10) Business Days after Project Manager delivers the Final Space Plan to Landlord, Landlord shall advise Project Manager of Landlord's approval or disapproval of the Final Space Plan (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Within ten (10) Business Days after Landlord notifies Project Manager of Landlord's objections, Project Manager shall revise the proposed Final Space Plan to meet Landlord's objections and deliver the revised Final Space Plan to Landlord for Landlord's approval. Within ten (10) Business Days after Project Manager delivers the revised Final Space Plan to Landlord, Landlord shall advise Project Manager



of Landlord's approval or disapproval of the revised Final Space Plan (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Project Manager and Landlord shall continue to follow the revision, delivery and notice of objections procedure and schedule set forth above until Landlord approves the Final Space Plan. Landlord will not unreasonably withhold its approval of the Final Space Plan.

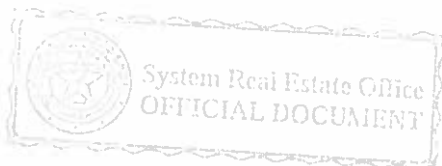
2.4 Plans and Specifications. Within twenty (20) Business Days after Landlord approves the Final Space Plan, Project Manager shall deliver the Plans and Specifications to Landlord for Landlord's approval. Within twelve (12) Business Days after Project Manager delivers the Plans and Specifications to Landlord, Landlord shall advise Project Manager of Landlord's approval or disapproval of the Plans and Specifications (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Within ten (10) Business Days after Landlord notifies Project Manager of Landlord's objections, Project Manager shall revise the proposed Plans and Specifications to meet Landlord's objections and deliver the revised Plans and Specifications to Landlord for Landlord's approval. Within twelve (12) Business Days after Project Manager delivers the revised Plans and Specifications to Landlord, Landlord shall advise Project Manager of Landlord's approval or disapproval of the revised Plans and Specifications (which disapproval shall specify Landlord's objections in sufficient detail so that Project Manager can make the necessary revisions to satisfy such objections). Project Manager and Landlord shall continue to follow the revision, delivery and notice of objections procedure and schedule set forth above until Landlord approves the Plans and Specifications. Landlord will not unreasonably withhold its approval of the Plans and Specifications.

2.5 Changes to Plans.

(a) In the event of any Change Order requested by Tenant, Tenant shall be solely responsible for all costs and expenses and for all delays in occupancy by Tenant (which shall not delay the Commencement Date or the Rent Commencement Date) resulting therefrom including, without limitation, costs or expenses relating to (i) any additional architectural or engineering services and related design expenses; (ii) any architectural or engineering costs incurred by Landlord in connection with its review of such requested change; (iii) any changes to materials in process of fabrication; (iv) cancellation or modification of supply or fabricating contracts; (v) removal or alteration of work or plans completed or in process; or (vi) delay claims made by Contractor.

(b) No changes shall be made to any of the TI Plans and no Change Orders shall be implemented without the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed (but which shall be subject to the Alterations limitations set forth in the Lease). All Change Orders shall be in writing and shall be on such AIA form as is required by Landlord and/or Contractor. Tenant shall evidence in writing its approval of any Change Order prior to requesting Landlord's approval of same.

2.6 General Plan Provisions.



(a) The Project Manager shall engage the TI Architect to cause (i) the TI Plans to comply with all applicable Requirements; (ii) the TI Plans to be prepared in accordance with the terms of this Work Agreement and in conformity with the Base Building Plans and the base Building systems (including, without limitation, the base Building HVAC, mechanical, electrical, plumbing and life safety systems); (iii) the Plans and Specifications to be sufficient to enable Contractor (with respect to the Plans and Specifications) to obtain all necessary Permits; and (iv) the Plans and Specifications to be prepared using the AutoCAD Computer Assisted Drafting and Design System, using naming conventions issued by the American Institute of Architects in June, 1990 and magnetic computer media of such drawings and specifications translated in convertible DFX format. The TI Plans shall not include any Tenant Improvements that will or that reasonably might be anticipated to (1) interfere with the normal operation of the Building, Building operations, or the Base Building Systems; (2) materially increase maintenance or utility charges for operating the Building in excess of the standard requirements for Comparable Buildings, or (3) affect the exterior or structure of the Building.

(b) Any provision of this Work Agreement or the Lease to the contrary notwithstanding, Landlord's approval of the Plans and Specifications shall not constitute an assurance by Landlord that the Plans and Specifications satisfy any applicable Requirements or are sufficient to enable the Contractor to obtain a building permit for the undertaking of the Tenant Improvements. If Landlord notifies Project Manager at any time that the Plans and Specifications must be revised due to their failure to comply with the terms of this Work Agreement, such revisions shall be made at Tenant's expense and any delay arising in connection therewith shall constitute a Tenant delay and shall not postpone or delay the Rent Commencement Date or otherwise give rise to any claim or cause of action against Landlord.

(c) Prior to making or installing any of the Tenant Improvements, the Project Manager shall perform a field verification to independently determine the existing conditions, specifications and dimensions of the Premises and any variances from the Base Building Plans.

(d) Tenant has appointed Tenant's Representative for purposes of granting any consents or approvals by Tenant under this Work Agreement and for authorizing and executing any and all Change Orders or other documents in connection with this Work Agreement and Landlord shall have the right to rely on Tenant's Representative's consent, approval, authorization or execution as aforesaid. Tenant shall provide any information, selection or approval requested by Landlord or the Project Manager relating to the Tenant Improvements or other matters addressed in this Work Agreement promptly, and in any event within five (5) Business Days, after receipt of such request.

(e) Landlord has appointed Landlord's Representative for purposes of granting any consents or approvals by Landlord under this Work Agreement and for authorizing and executing any and all Change Orders or other documents in connection with this Work Agreement and Tenant shall have the right to rely on Landlord's Representative's consent, approval, authorization or execution as aforesaid.



(f) Tenant shall reimburse Landlord for all reasonable third-party out-of-pocket costs incurred by Landlord in reviewing any proposed Tenant Plans and Change Orders within thirty (30) days after Tenant's receipt of an invoice therefor.

Article 3 – Construction

3.1 **Landlord Improvements.** Except as might be expressly set forth herein to the contrary, Landlord has no obligation to do any other work or pay any amounts with respect to the Premises. Notwithstanding the foregoing, Landlord shall perform any work necessary to cause the HVAC unit(s) and thermostats exclusively serving the Premises (collectively, the "Systems") to be in good working order in coordination with the construction of the Tenant Improvements. Landlord shall also perform any work necessary to repair or replace damaged or missing exterior blinds within the Premises as appropriate in coordination with the construction of the Tenant Improvements.

3.2 **Tenant Improvements.** The Project Manager shall, at Tenant's expense subject to application of Landlord's Contribution as provided herein, engage a general contractor to construct the Tenant Improvements in a good and workmanlike manner and in accordance with the terms of this Work Agreement. Except to the extent that the Plans and Specifications provide otherwise, the Tenant Improvements shall be constructed of new materials commensurate with the level of improvements for a typical first-class tenant in Comparable Buildings. Landlord acknowledges that as part of the Tenant Improvements, Tenant may desire to block or seal off a perimeter window of the Premises to accommodate Tenant's design requirements and Landlord generally approves the same in concept subject to the following: (a) such window shall be located on the back or alley side of the Building in a location approved by Landlord; (b) such work shall be performed pursuant to plans approved by Landlord in accordance with this Work Agreement; (c) the work shall be designed to minimize the visual impact from the outside of the Building and Tenant shall keep the window blinds down to minimize the impact; (d) if Landlord incurs any additional costs to repair or maintain the Building on account of such work, Tenant shall bear the increased costs; and (e) prior to the expiration or earlier termination of the Lease, Tenant shall be required, at its sole cost, to remove such work and repair the affected area to its preexisting condition.

3.3 **General Contractor.** Promptly after Landlord's approval of the Plans and Specifications, Landlord shall cause the Project Manager to begin the bidding process to enter into a contract for construction of the Tenant Improvements with a general contractor. The general contractor shall be subject to Landlord's approval, such approval not to be unreasonably withheld, conditioned or delayed, and upon such selection and approval such general contractor shall be the "Contractor" under this Work Agreement. The Project Manager's construction contract with the Contractor shall be subject to Landlord's prior approval, such approval not to be unreasonably withheld, conditioned or delayed. The Contractor shall be responsible for all required construction, management and supervision of the Tenant Improvement work.

3.4 **Subcontractors.** Landlord shall have the right to approve all subcontractors, such approval not to be unreasonably withheld, conditioned or delayed.



3.5 Certain Essential Work. All Tenant Improvement connections or tie-ins to the base Building energy management, sprinkler and fire and life safety systems shall be performed at Tenant's expense by the applicable Essential Sub. All Tenant Improvement work relating to the Building exterior walls and windows (including window removal and reinstallation for hoisting purposes), and the roof (excluding HVAC), shall be performed at Tenant's expense by the applicable Essential Sub.

3.6 Permits. Prior to commencement of the construction of the Tenant Improvements, the Contractor shall, at Tenant's expense, obtain the Permits.

3.7 Pre-Construction Deliveries. Not fewer than three (3) days prior to commencement of construction of the Tenant Improvements, the Project Manager shall deliver the following information and items to Landlord:

- (a) the names and addresses of all subcontractors;
- (b) the schedule for commencement of construction, the estimated date of Substantial Completion, the fixturing work and the date on which Tenant expects to commence occupancy of the Premises for the conduct of Tenant's business;
- (c) the itemized statement of the estimated Improvement Costs;
- (d) certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement; and
- (e) a copy of the Permits.

3.8 Tenant's Equipment. Tenant shall work with the Project Manager to identify all Tenant's Equipment required by Tenant. The Project Manager shall, at Tenant's expense, be responsible for ordering and for the delivery and installation of such Tenant's Equipment.

3.9 Post Construction Activities. Prior to Tenant's use or occupancy of the Premises or any portion thereof and Landlord's disbursement of any portion of the Retainage, Project Manager shall, at Tenant's expense, deliver to Landlord a copy of the certificate of occupancy and all other certifications and approvals with respect to the Tenant Improvements that may be required from any governmental authority and/or any board or fire underwriters or similar body for the use and/or occupancy of the Premises; and certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement.

3.10 General Construction Provisions.

- (a) Any damage caused by any contractor or subcontractor to any portion of the Building or to any property of Landlord or other tenants shall be repaired forthwith after written notice from Landlord to its condition prior to such damage at Tenant's expense.



(b) All Contractors shall access the Premises via the Building freight elevator, work in harmony and not interfere with the performance of other work in the Building.

(c) If at any time such entry shall cause, or in Landlord's reasonable judgment threaten to cause, such disharmony or interference, Landlord may terminate such permission upon 24 hours' notice to Tenant and Project Manager, and thereupon, Project Manager or its employees, agents, contractors, and suppliers causing such disharmony or interference shall immediately withdraw from the Premises and the Building until Landlord reasonably determines such disturbance no longer exists.

(d) All Contractors shall comply with the rules and regulations attached hereto as Annex 5-Construction Rules and Regulations and such other reasonable rules and regulations as Landlord from time to time establishes concerning construction work in the Building.

Article 4 – Improvement Costs and Landlord's Contribution

4.1 **Improvement Costs.** Tenant shall be responsible for the full and timely payment of all Improvement Costs, subject to Landlord's disbursement of Landlord's Contribution as provided in this Work Agreement. Upon receipt of a draw request, Landlord shall notify Tenant what portion of such request will be funded by Landlord from Landlord's Contribution (determined pursuant to Section 4.3 below) and what portion is due from Tenant and the date such payment is due. Landlord shall make disbursements from Landlord's Contribution as invoices approved by Tenant are rendered to Landlord, provided that Landlord has received partial or final (as applicable) lien waivers and such other documentation as Landlord may reasonably require from the party requesting such payment. Landlord shall have the right to deduct Landlord's Fee from Landlord's Contribution as and when Landlord makes disbursements from Landlord's Contribution. Tenant agrees that Landlord's Contribution must be applied relatively proportionately towards the payment of Improvements Costs for the entire Premises.

4.2 **Landlord's Contribution.** Landlord shall disburse an amount not to exceed Landlord's Contribution toward the Improvement Costs.

4.3 Disbursement of Landlord's Contribution.

(a) Landlord shall make progress payments to Project Manager (or directly to the Contractor or the appropriate vendor) from Landlord's Contribution for the work performed during the previous month, less a retainage of five percent (5%) of each progress payment ("**Retainage**"), such that if all conditions set forth in this Exhibit to Landlord's obligation to make a progress payment have been satisfied and (i) the invoice for which the Project Manager seeks a progress payment states that the Retainage has been deducted from the total amount owed, the progress payment will be for entire amount that is then payable under such invoice, and (ii) the invoice for which the Project Manager seeks a progress payment does not state that the Retainage has been deducted from the total amount owed, the progress payment will be for ninety percent (90%) of the invoiced amount. Prior to disbursement of the first progress payment, Landlord shall have received a copy of the construction contract with the Contractor and the budget (showing all Improvement Costs) for the Tenant Improvements. Each progress payment shall be limited to that



fraction of the total amount of such payment, the numerator of which is the amount of Landlord's Contribution and the denominator of which is the total contract price (or, if there is no specified or fixed contract price for the Tenant Improvements, then Landlord's reasonable estimate thereof) for the performance of all of the Tenant Improvements shown the TI Plans as approved by Landlord. Tenant shall pay all Improvements Costs (except to the extent paid by Landlord as aforesaid) to the Project Manager, or, after prior notice and coordination with Landlord, directly to the Contractor or appropriate vendor (and only in accordance with disbursement practices approved by Landlord, including receipt of lien waivers and other documentation Landlord may reasonably require).

(b) Prior to disbursement of the first progress payment, Landlord shall have approved the construction contract with the Contractor and the budget (showing all Improvement Costs) for the Tenant Improvements, such approvals not to be unreasonably withheld, conditioned or delayed.

(c) If Landlord receives the Project Manager's request (together with the supporting documentation required hereunder) for a disbursement from Landlord's Contribution on or before the twentieth (20th) day of a month, Landlord will make such disbursement not later than on the last day of the first calendar month following the calendar month during which Landlord received such request. If Landlord receives the Project Manager's request (together with the supporting documentation required hereunder) for a disbursement from Landlord's Contribution after the twentieth (20th) day of a month, Landlord will make such disbursement not later than on the last day of the second calendar month following the calendar month during which Landlord received such request. Each of the Project Manager's requisitions for a disbursement from Landlord's Contribution shall be signed by Tenant's Representative, shall set forth the names of each contractor and subcontractor to whom payment is due or for which the Project Manager seeks reimbursements for payments made by the Project Manager and the amount thereof, and shall be accompanied by:

(i) with respect to the first requisition, copies of conditional waivers and releases of lien upon progress payment in such form as Landlord reasonably requires from all of Contractors and material suppliers covering all work and materials for which the progress payment is being made, and after the first requisition, copies of conditional waivers and releases of lien upon progress payment in such form as Landlord reasonably requires from all Contractors and material suppliers covering all work and materials for which the progress payment is being made, together with copies of unconditional waivers and releases of lien upon progress payment in such form as Landlord reasonably requires from all Contractors and material suppliers covering all work and materials which were the subject of previous progress payments by Landlord and Tenant;

(ii) The TI Architect's written certification that the work for which the requisition is being made has been Substantially Completed in accordance with the Plans and Specifications; and

(iii) such other documents and information as Landlord may reasonably request.



(d) Landlord shall disburse the Retainage upon submission to Landlord of the requisition therefor accompanied by all documentation required above, together with:

(i) The TI Architect's written certification of final completion of the Tenant Improvements in accordance with the Plans and Specifications. In addition, Landlord will be given the opportunity to inspect the Premises so that Landlord can be reasonably satisfied of the final completion of the Tenant Improvements in accordance with the Plans and Specifications;

(ii) a copy of the certificate of occupancy and all other certifications and approvals with respect to the Tenant Improvements that may be required from any Governmental Authority and/or any board or fire underwriters or similar body for the use and/or occupancy of the Premises;

(iii) final waivers and releases of lien in such form as Landlord reasonably requires from all Contractors and material suppliers;

(iv) certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement;

(v) a copy of each guaranty, warranty and O&M manual applicable to the Tenant Improvements. At Landlord's request, Tenant shall enforce, at Tenant's expense, all guarantees and warranties made with respect to the Tenant Improvements; and

(vi) final "as built" plans (five (5) sets) and certified air balance reports for the Premises. The "as-built" plans shall be prepared on the AutoCAD Computer Assisted Drafting and Design System, using naming conventions issued by the American Institute of Architects in June, 1990 and magnetic computer media of such drawings and specifications translated in convertible DFX format.

4.4 Special Application of Landlord's Contribution. Landlord's Contribution shall be applied toward the Construction Hard Costs; provided, however, that a portion of the Landlord's Contribution up to an amount equal to the product of \$28.50 multiplied by the Area of the Premises (*i.e.* up to 30% of Landlord's Contribution) may be used by Tenant for soft costs related to renovation of the Premises, including costs for furniture, fixtures and equipment, telephone and computer wiring, and moving costs) (collectively, "**Soft Costs**"). If any portion of Landlord's Contribution remains after final payment of all Improvement Costs and Soft Costs, such remaining portion shall be retained by and belong to Landlord; provided, however, to the extent that the remaining portion does not exceed an amount equal to \$19.00 per square foot of Area of the Premises (*i.e.* up to 20% of Landlord's Contribution), such remaining portion shall first be applied towards the payment of the Fixed Rent next coming due under the Lease. Any portion of the Landlord's Contribution not requested pursuant to this Work Agreement by the first anniversary of the Effective Date or applied toward Fixed Rent as aforesaid shall be deemed waived and forfeited.



4.5 Additional Rent. All amounts payable by Tenant pursuant to this Work Agreement shall be deemed to be Additional Rent for purposes of the Lease. Landlord may deduct any sums due to Landlord pursuant to this Work Agreement from Landlord's Contribution and shall notify Tenant thereof.

4.6 Conditions to Advance. Any provision of the Lease or this Work Agreement to the contrary notwithstanding, Landlord shall have no obligation to make any payment or disbursement from Landlord's Contribution (i) if the Lease is not in full force and effect or there exists any Event of Default; (ii) for any deposit or off-site prefabrication, whether for Work, Tenant's Equipment or otherwise; (iii) for any Work that is not in place at the Premises; or (iv) for any Tenant's Equipment not located at the Premises.

4.7 Failure to Pay Contractors. Any provision of the Lease or this Work Agreement to the contrary notwithstanding, assuming Landlord funds disbursement requests in accordance with the terms of this Work Agreement, if any contractors or material suppliers, are not timely paid Landlord shall have the right, but not the obligation, to promptly pay to such contractor or supplier all sums so due, and Tenant agrees the same shall be deemed Additional Rent and shall be paid by Tenant within ten (10) days after Landlord delivers to Tenant an invoice therefor.

4.8 Intentionally omitted.

4.9 Utilities. Landlord shall provide, at no additional cost to Tenant, customary utilities (*i.e.*, water, electrical, HVAC, and sewer) in Suites 425 and 450 during construction of the Tenant Improvements (Tenant hereby acknowledging that Tenant shall continue to pay for such consumption in Suite 400 pursuant to the Current Lease). Notwithstanding the foregoing, there will be no charge by Landlord to Contractors for the following charges during construction and move into the Premises, so long as such use does not require extra supervision or overtime attendance (and in such event Landlord shall have the right to reimbursement by Tenant for the reasonable out-of-pocket of such extra supervision or overtime attendance): use of the freight elevator, utility use, operator's costs, loading dock fees, or security guard fees.



Annex 1

Requirements for Preliminary Space Plan

Floor plans showing partition arrangement including the following information:

- a. space plan showing the general layout of offices, open plan areas and special tenant areas;
- b. typical individual work station layouts;
- c. identify the extent of each department on each floor;
- d. show door locations and door swings in partitions;
- e. identify general location and size of interconnecting stairs;
- f. indicate preliminary furniture layout for typical offices and work stations, conference rooms, employee lounge, reception area, training room and print room;
- g. indicate locations for coffee rooms and shower rooms; and
- h. preliminary locations for built-in millwork.

Annex 2

Requirements for Final Space Plan

Floor plans, together with related information for mechanical, electrical and plumbing design work, showing partition arrangement (3 sets), including without limitation the following information:

- a. identify the location of conference rooms and density of occupancy;
- b. indicate the density of occupancy for all rooms, except individual use rooms such as offices;
- c. identify the location of any food service areas or vending equipment rooms;
- d. identify areas, if any, requiring 24 hour air conditioning;
- e. indicate those partitions that are to extend from floor to underside of structural slab above or require special acoustical treatment;
- f. identify the location of rooms for telephone equipment other than Building core telephone closet, identify type of equipment for these rooms;
- g. identify the locations and types of plumbing required for toilets (other than core facilities), sinks, drinking fountains, etc.;
- h. indicate light switches in offices, conference rooms and all other rooms in the Premises;
- i. indicate the layouts for specially installed equipment, including computer and duplicating equipment, the size and capacity of mechanical and electrical services required and heat rejection of the equipment;
- j. indicate the location of: (A) electrical receptacles one hundred twenty (120) volts, including receptacles for wall clocks, and telephone outlets and their respective locations (wall or floor), (B) electrical receptacles for use in the operation of Tenant's business equipment which requires 208 volts or separate electrical circuits, (C) electronic calculating and CRT systems, etc., and (D) special audio-visual requirements;
- k. indicate proposed layout and location of any of special equipment (e.g., fire suppression equipment for computer room);
- l. indicate the swing of each door;

- m. indicate any special file systems to be installed which would require special construction; and
- n. lighting layouts for each floor.

Annex 3

Requirements for Plans and Specifications

Final architectural detail and working drawings, finish schedules and related plans (3 reproducible sets) including without limitation the following information and/or meeting the following conditions:

- a. specifications of all materials, colors and suppliers/manufacturers of wallcoverings, floor coverings, ceiling systems, window coverings and other finishes; all millwork shall be fully detailed to the appropriate level for pricing and construction; all specialty items shall be identified as particular products; and paintings and decorative treatment required to complete all construction;
- b. complete, finished, detailed mechanical, electrical, plumbing and structural plans and specifications for the Tenant Improvements, including but not limited to the fire and life safety systems and all work necessary to connect any special or non-standard facilities to the Building's base mechanical systems; and
- c. all final floor plans must be drawn to a scale of one-eighth (1/8) inch to one (1) foot except for larger scaled detailed drawings. Any architect or designer acting for or on behalf of Tenant shall be deemed to be Tenant's agent in all respects with respect to the design and construction of the Premises.

Annex 4

Intentionally omitted



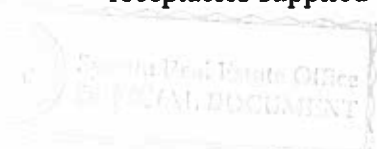
Annex 5

Construction Rules and Regulations

1. Project Manager and/or the general contractor will supply Landlord with a copy of all permits prior to the start of any work.
2. Project Manager and/or the general contractor will post the building permit, as required by District regulations, within the Premises while work is being performed.
3. The Project Manager shall provide, in writing, prior to commencement of the work, the names and emergency numbers of all subcontractors, the general contractor superintendent, and the general contractor's project manager.
4. No construction is to be started until the drawings required under the Work Agreement have been submitted and approved in writing by Landlord.
5. Landlord is to be contacted by Project Manager when work is completed for final inspection. All damage to building will be determined at that time unless determined earlier.
6. Any work that is to be performed in other than Tenant's Premises must be reviewed and scheduled in advance with the Landlord.
7. Landlord will be notified of all work schedules of all workmen on the job and will be notified, in writing, in advance, of names of those who may be working in the building after "normal" business hours.
8. Construction personnel must carry proper identification at all times.
9. All workers to be appropriately dressed for their work responsibility.
10. Landlord must approve all roof top equipment and placement. All penetrations must be cut and flashed by the roof warranty holder of the existing roof system.
11. Landlord shall designate contractor-parking areas (if any).
12. Contractor must notify Landlord two days prior to an independent air balancing service by a certified air balance company. Landlord's building engineer will accompany the contractor during their work. Landlord must receive a copy of the final approved balance report.
13. Before Landlord makes final payment, five sets of as-built and all O&M manuals as well as a CADD disc must be submitted to Landlord.
14. The general contractor and Project Manager shall be responsible for all loss of their materials and tools and shall hold Landlord harmless for such loss and from any damages or claims resulting from the work.

15. The general contractor shall maintain insurance coverage throughout the job of a type(s), in amounts and issued by an insurance company, reasonably satisfactory to Landlord and licensed to write the type of coverage so required in the District of Columbia. Prior to the commencement of work, a Certificate of Insurance must be submitted with the limits of coverage per the limits noted in the Lease with such parties being named as additional insureds as Landlord requires from time to time.
16. All key access, fire alarm work, or interruption of security hours must be arranged with the Landlord.
17. Proper supervision shall be maintained at the job site at all times and the general contractors workmen, mechanics and subcontractors must not unreasonably interfere with the Buildings operations or Landlord. The Project Manager shall cause all of the general contractors workmen, mechanics and subcontractors shall use good faith efforts to work in harmony with and shall not unreasonably interfere with any labor employed by or on behalf of Landlord or any other tenant, or their workmen, mechanics and contractors.
18. Landlord is to be notified in advance of all ties into Base Building Systems, welding, or any work affecting the base building or other tenant spaces unless agreed to otherwise, all tie-ins to base building fire alarm systems are performed by Landlord, designated contractor and cost borne by Tenant.
19. The following work, of which Landlord is to be notified in advance, must be done on overtime and not during normal business hours once any portion of the building is occupied (by tenants other than the property management office):
 - ☐ Demolition which per building manager's judgment may cause disruption to other tenants.
 - ☐ Oil base painting (on multi-tenant floors)
 - ☐ Gluing of carpeting (on multi-tenant floors)
 - ☐ Shooting of studs for mechanical fastenings
 - ☐ Testing of life safety system, sprinkler tie-ins.
 - ☐ Work performed in occupied spaces.
 - ☐ Welding, brazing, soldering and burning with proper fire protection and ventilation.
 - ☐ Other activities that, in building manager's judgment, may disturb other tenants.
20. All building shutdowns – electrical, plumbing, HVAC equipment, fire and life-safety must be coordinated with Landlord in advance. Landlord's and Factory Mutual procedures for hot work, fire alarm and sprinkler shutdowns must be followed. Landlord's on-site engineer will detail the requirements summarized below:

- ☐ Smoke detectors must be bagged or cleaned daily and placed back in service at the end of each day.
 - ☐ Call outs for fire alarm and sprinkler systems must be made with and only with Landlord's personnel and with the attached forms. All systems must be put back into service at the end of each work day and working correctly.
 - ☐ Hot work, i.e., torch burning/cutting and welding must be permitted through Landlord's personnel and contractor must use Landlord's form.
 - ☐ When welding, contractor shall provide a fused disconnect switch for connection to building power supply and a Fire Watch.
 - ☐ Forms are to be provided at kickoff meeting.
21. Fire extinguishers supplied by the general contractor must be on the job-site at all times during demolition and construction.
 22. No building materials are to enter the building by way of main lobby, and no materials are to be stored in any lobbies or fire stairs at any time.
 23. Contractors or personnel will use loading dock area for all deliveries and will not use loading dock for vehicle parking.
 24. Passenger elevators shall not be used for moving building materials and shall not be used for construction personnel except in the event of an emergency. The designated freight elevator and one or more protected passenger elevators are the only elevators to be used for moving materials and construction personnel. These elevators may be used only when they are completely protected as reasonably determined by Landlord's building engineer.
 25. Protection of hallway carpets, wall coverings, and elevators from damage with masonite board, carpet, cardboard, or pads is required. They may be removed from time to time as reasonably requested by the Landlord.
 26. Public spaces, corridors, elevators, bathrooms, lobby, etc. must be cleaned after use. Construction debris or materials found in public areas will be removed at Tenant's cost.
 27. Contractors will remove their trash and debris daily or as often as necessary to maintain cleanliness in the building. Building trash containers are not to be used for construction debris. Landlord reserves the right to bill Tenant for any cost incurred to clean up debris left by the general contractor or any subcontractor (other than Contractor).
 28. All construction materials or debris must be stored within the project confines or in an approved lock-up.
 29. Contractors will be responsible for daily removal of waste foods, milk and soft drink containers, etc. to trash room and will not use any building trash receptacles but trash receptacles supplied by them.



30. Construction personnel are not to eat in the lobby or in front of building nor are they to congregate in the lobby or in front of building.
31. There will be no smoking, eating, or open food containers in the elevators, carpeted areas or public lobbies.
32. There will be no alcohol or controlled substances allowed or tolerated.
33. There will be no yelling or boisterous activities.
34. Radios shall not be played on job site, except that radios shall be permitted until the first tenant occupies any portion of the Building. In any event, radio volume shall be kept to a reasonable level as reasonably determined by Landlord.
35. Landlord shall grant access to the base building electrical, telephone and mechanical rooms.
36. No utilities (electricity, water, gas, plumbing) or services to the tenants are to be cut off or interrupted without first having requested, in writing, and secured, in writing, the permission of Landlord (which shall not be unreasonably withheld, conditioned or delayed).
37. No electrical services are to be put on the emergency circuit, without specific written approval from Landlord (which shall not be unreasonably withheld, conditioned or delayed).
38. When utility meters are installed, the general contractor must provide the property manager with a copy of the operating instructions for that particular meter.
39. All public areas such as elevator lobbies, corridors, toilets and service halls shall be protected with masonite and other such materials to the satisfaction of the building manager/representative or representative.
40. Trash and debris resulting from the work shall be confined to either the interior of the space under construction or an on-site dumpster. If it is a dumpster, then such debris shall be kept within the confines of the dumpster. The general contractor shall coordinate the location of the dumpster with the landlord and plywood shall be used to protect the surface from damage.
41. Contractor is responsible to keep the construction area safe and in a workmanlike manner. Machinery noise shall not interfere with the peaceful enjoyment of any tenant or their invitees to the building. No smoking in the building will be allowed at any time.
42. Clear access to be provided at all times to stairwells, mechanical/electrical equipment and rooms, elevators, fire hoses, valves, fire dampers and maintenance sensitive equipment.
43. Adequate lighting is to be provided in construction areas to achieve a safe working environment.

44. A Tenant valve tag chart shall be submitted to the Landlord.
45. All piping and wiring systems shall be adequately supported from building structure.
46. The cleaning of condenser water pipes shall be done in the presence of the Landlord's representative with the chemical used per the building's chemical treatment company's recommendation.
47. All mechanical and electrical equipment shall have permanent identification labels affixed.
48. Kitchen exhaust access doors must be clearly identified and accessible for periodic inspection as required by law.
49. All telecommunication cabling in common areas, mechanical equipment rooms, etc. shall be installed in an enclosed raceway and shall be identified.
50. All air handlers, CAV boxes and VAV boxes need pre-filters (construction filters) installed over filter bank and may require periodic changes during the construction period until each floor is complete at which time a change out of filters is required. All units will be required to be cleaned thoroughly if the system is contaminated and this procedure is not maintained.
51. All mechanical, telephone, electrical and pump room floors within the Premises, must be painted at the end of the job. Damaged, stained or new walls and pipe, etc. must be painted to match existing pipes and new pipes must match Landlord's standard colors.
52. If contractors or vendors use any elevator(s) during the performance of the Tenant Improvements, after all tenant construction is complete, the elevator systems need to be cleaned by the elevator service provider at tenant contractor's expense. This includes rails, pits, tops of cabs, machine rooms.

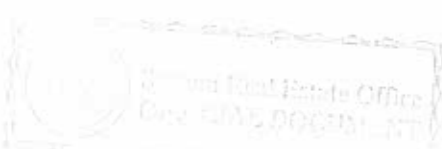


Exhibit D

Cleaning Specifications

GENERAL CLEANING

NIGHTLY

General Offices:

1. All hard surfaced flooring to be swept using approved dustdown preparation.
2. Carpet sweep all carpets, moving only light furniture (desks, file cabinets, etc. not to be moved).
3. Hand dust and wipe clean all furniture, fixtures and window sills.
4. Empty all waste receptacles and remove wastepaper.
5. Wash clean all Building water fountains and coolers.
6. Sweep all private stairways.

Lavatories:

1. Sweep and wash all floors, using proper disinfectants.
2. Wash and polish all mirrors, shelves, bright work and enameled surfaces.
3. Wash and disinfect all basins, bowls and urinals.
4. Wash and disinfect all toilet seats.
5. Hand dust and clean all partitions, tile walls, dispensers and receptacles in lavatories and restrooms.
6. Empty paper receptacles, fill receptacles and remove wastepaper.
7. Fill toilet tissue holders.
8. Empty and clean sanitary disposal receptacles.

WEEKLY

1. Vacuum all carpeting and rugs.
2. Dust all door louvers and other ventilating louvers within a person's normal reach.
3. Wipe clean all brass and other bright work.

QUARTERLY

High dust premises complete including the following:

1. Dust all pictures, frames, charts, graphs and similar wall hangings not reached in nightly cleaning.
2. Dust all vertical surfaces, such as walls, partitions, doors, door frames and other surfaces not reached in nightly cleaning.
3. Dust all venetian blinds.
4. Wash all windows.

Exhibit E

Rules and Regulations

1. Nothing shall be attached to the outside walls of the Building. Other than Building standard blinds, no curtains, blinds, shades, screens or other obstructions shall be attached to or hung in or used in connection with any exterior window or entry door of the Premises, without the prior reasonable consent of Landlord (which shall not be unreasonably withheld, conditioned or delayed).

2. No sign, advertisement, notice or other lettering visible from the exterior of the Premises shall be exhibited, inscribed, painted or affixed to any part of the Premises without the prior written consent of Landlord (which shall not be unreasonably withheld, conditioned or delayed). All lettering on suite entry doors shall be inscribed, painted or affixed in a size, color and style reasonably acceptable to Landlord.

3. The grills, louvers, skylights, windows and doors that reflect or admit light and/or air into the Premises or Common Areas shall not be covered or obstructed by Tenant except as set forth in item 1 above, nor shall any articles be placed on the window sills, radiators or convectors.

4. Landlord shall have the right to prohibit any advertising by any Tenant which, in Landlord's reasonable opinion, tends to impair the reputation of the Building, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

5. The Common Areas shall not be obstructed or encumbered by any Tenant or used for any purposes other than ingress of egress to and from the Premises and for delivery of merchandise and equipment in a prompt and efficient manner, using elevators and passageways designated for such delivery by Landlord.

6. All locks and deadbolts of any kind shall be operable by the Building's Master Key. No locks shall be placed upon any of the doors or windows by Tenant, nor shall any changes be made in locks or the mechanism thereof which shall make such locks inoperable by the Building's Master Key. Tenant shall, upon the termination of its Lease, deliver to Landlord all keys of stores, offices and lavatories, either furnished to or otherwise procured by Tenant and in the event of the loss of any keys furnished by Landlord, Tenant shall pay to Landlord the cost thereof.

7. Tenant shall keep the entrance door to the Premises closed at all times.

8. All movement in or out of any freight, furniture, boxes, crates or any other large object or matter of any description must take place during such times and in such elevators as Landlord may reasonably prescribe. Landlord reserves the right to inspect all articles to be brought into the Building and to exclude from the Building all articles which violate any of these Rules and Regulations or the Lease. Landlord may require that any person leaving the public areas of the Building with any article to submit a pass, signed by an authorized person, listing each article being removed, but the establishment and enforcement of such requirement shall not impose any responsibility on Landlord for the protection of any Tenant against the removal of property from the Premises.

9. All hand trucks shall be equipped with rubber tires, side guards and such other safeguards as Landlord may reasonably require.

10. Except as might be expressly permitted under the Lease, no Tenant Party shall be permitted to have access to the Building's roof, mechanical, electrical or telephone rooms without permission from Landlord, which permission will not be unreasonably withheld, conditioned or delayed. The foregoing notwithstanding, Tenant Parties will be given access to and a non-exclusive right to use the Building's roof deck, which access and use shall be subject to such rules and regulations as Landlord shall from time to time reasonably promulgate with respect thereto (including, without limitation, rules and regulations pertaining to roof deck safety, reservations and post-use clean-up).

11. Tenant shall not permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of unreasonable noise, odors, vibrations or interference in any way with other tenants or those having business therein.

12. Except as set forth in the Lease, Tenant shall not employ any person or persons other than the janitor of Landlord for the purpose of cleaning the Premises, unless otherwise agreed to by Landlord, which agreement shall not be unreasonably withheld, conditioned or delayed. Tenant shall not cause any unnecessary labor by reason of such Tenant's carelessness or indifference in the preservation of good order and cleanliness.

13. Tenant shall store all its trash and recyclables within its Premises. No material shall be disposed of which may result in a violation of any Requirement. All refuse disposal shall be made only through entry ways and elevators provided for such purposes and at such times as Landlord shall designate. Tenant shall use the Building's refuse and recycling contractor(s).

14. Tenant shall not deface any part of the Building. No boring, cutting or stringing of wires shall be permitted, except with prior consent of Landlord (which shall not be unreasonably withheld, conditioned or delayed), and as Landlord may direct and except for typical office building purposes (e.g., picture hanging).

15. The water and wash closets, electrical closets, mechanical rooms, fire stairs and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed and no sweepings, rubbish, rags, acids or other substances shall be deposited therein. All damages resulting from any misuse of the fixtures shall be borne by Tenant where a Tenant Party caused the same.

16. Tenant, before closing and leaving the Premises at any time, shall see that all lights, water faucets, etc. are turned off. All entrance doors in the Premises shall be kept locked by Tenant when the Premises are not in use.

17. No animals of any kind (except for seeing-eye dogs) shall be brought into or kept by any Tenant in or about the Premises or the Building. No in-line roller skates, bicycles or vehicles shall be brought into or kept by any Tenant in or about the Premises or the Building, except that bicycles can be kept at the bicycle rack (if any) provided by Landlord at the Building and automobiles may be kept in the parking garage.

18. Canvassing or soliciting in the Building is prohibited.

19. Employees of Landlord or Landlord's Agent shall not perform any work or do anything outside of their regular duties, unless under special instructions from the office of Landlord or in response to any emergency condition.

20. Tenant is responsible for the delivery and pick up of all mail from the United States Post Office. Landlord reserves the right to prohibit overnight courier, commercial and other package delivery services from entering the Building, other than to pick-up packages from or to deliver packages to such central messenger facility designated by Landlord for the Building.

21. Landlord reserves the right to exclude from the Building all persons who do not present a valid Building pass. Tenant shall be responsible for all persons for whom a pass shall be issued at the request of Tenant and shall be liable to Landlord for all acts of such persons.

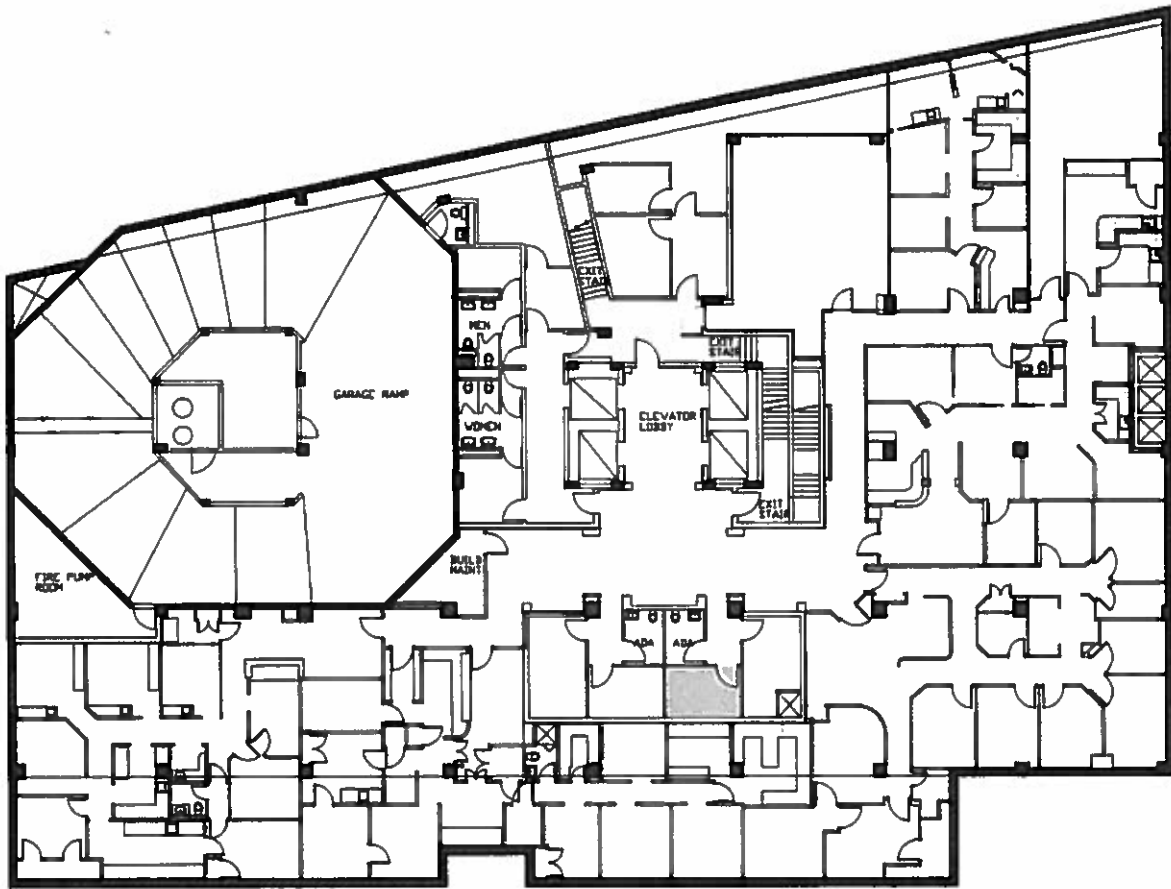
22. Except as set forth in the Lease, Landlord shall not be responsible to Tenant or to any other person for the non-observance or violation of these Rules and Regulations by any other tenant or other person. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition to its occupancy of the Premises.

23. No person shall smoke, chew or otherwise ingest, or use tobacco products at the Building, the Common Areas (including any sidewalks adjacent to the Building) or the Premises, except in an area (if any) designated by Landlord.

EXHIBIT F
DIAGRAM OF STORAGE SPACE

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U.S. District Court
Southern District of New York
Case No. 1:11-cv-00001
Exhibit F
Diagram of Storage Space



1747 PENNSYLVANIA AVENUE NW
WASHINGTON, DC

FIRST BASEMENT PLAN



SEPTEMBER 12, 2019