

Eric Fryson

From: Dana Rudolf [drudolf@sfflaw.com]
Sent: Friday, January 11, 2013 4:14 PM
To: Filings@psc.state.fl.us
Cc: Martin Friedman; mgallarda@plurisusa.com; dwinters@plurisusa.com; Ana VanEsselstine; Bart Fletcher
Subject: Docket No. 120152-WS; Pluris Wedgefield, Inc. 2012 General Rate Increase Application
Attachments: PSC Clerk 14 (5th Data Request Responses).pdf

- a) Martin S. Friedman, Esquire
Sundstrom, Friedman & Fumero, LLP
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746
(407) 830-6331
mfriedman@sfflaw.com
- b) Docket No. 120152-WS
Pluris Wedgefield, Inc. 2012 General Rate Increase Application
- c) Pluris Wedgefield, Inc.
- d) 78 pages
- e) Response to Staff's Fifth Data Request

DOCUMENT NUMBER-DATE

00255 JAN 11 2013

FPSC-COMMISSION CLERK

January 11, 2013

E-FILED

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
Public Service Commission
2540 Shumark Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 120152-WS- Application for increase in water and wastewater rates in
Orange County by Pluris Wedgefield, Inc.
Our File No.: 43085.15

Dear Ms. Cole:

The following is Pluris Wedgefield, Inc.'s ("Utility") response to Staff's Fifth Data
Request dated January 4, 2013.

The following items relate to Operating Expenses.

1. A breakdown and description of each type of service by vendor provided related
to Contractual Services — Accounting of \$11,654 included in MFR Schedules B-5
and B6.

<i>Vendor</i>	<i>Amount</i>
<i>Carlstedt, Jackson, Nixon & Wilson</i>	<i>8,187</i>
<i>Hein & Associates</i>	<i>2,800</i>
<i>Haskell & White, LLP</i>	<i>588</i>
<i>Department of Treasury</i>	<i>79</i>
<i>Total</i>	<i>11,654</i>

*Carlstedt, Jackson, Nixon & Wilson provided audit services and assistance with the
annual report.*

DOCUMENT NUMBER-DATE

00255 JAN 11 2013

Hein & Associates completed the 2010 tax returns.

Haskell & White, LLP (California firm) began work on the 2010 tax return but were replaced by Hein & Associates (local Dallas firm).

Department of Treasury – fee for late payment of 2010 tax return. The amount of $0.201 \times \$79 = \15.88 is hereby withdrawn.

2. In your response to staff's third data request, the Utility noted an amount of \$2,222 for its Verizon account. Please provide a breakdown of the Verizon account, including the number of lines on the account and their intended purpose.

Verizon provides wireless air cards for Kenneth Pratt, Dan Winters, and Maurice Gallarda (laptop computers). This enables them to be connected to the internet wherever they are located in order to assist the utility operators or respond to customer issues immediately.

3. Provide the lease agreement for the current rental space in Dallas, Texas.

Attached is a PDF entitled, "Stockdale Investment Group, Inc. Lease Agreement"

4. Staff's third data request asked for a general ledger detail for the bad debt expense account. Please provide the requested information through the year-end.

Bad debt expense is typically recorded as part of the year-end processing. There has not been any bad debt expense booked for 2012. This will be a journal entry that should be booked within the next few weeks and will have a date of 12/31/2012.

The following items relate to Cost of Capital.

5. In your response to staff's third data request, the Utility identified a loan from F&M Bank. Please provide an updated D-5 Schedule, which includes the specific details of this debt issuance and reflects the payoff of the American Security Bank's line of credit.

Pluris notes that Staff requests an updated Schedule D-5, but the line of credit that was referenced in response to staff's third data request is for the parent company Pluris Holdings, LLC and is not recorded on the books of Pluris Wedgefield, Inc.. The payoff of the American Security Bank's line of credit occurred in 2012, after the test year of 2011. On April 9, 2012, the American Security Bank's line of credit was

paid in full and the balance (\$453,139) was transferred to the F&M Bank line of credit. The terms of the F&M Bank line of credit are as follows: coupon rate (3.5%), issue date (3/19/2012), maturity date (3/19/2013), and principal amount (\$2,500,000). The terms of the American Security Bank's line of credit were as follows: coupon rate (5.0%), issue date (9/15/2011), maturity date (9/15/2012), and principal amount (\$2,000,000). The outstanding amount per the MFRs was \$808,650 for the test year with an interest cost of \$40,433. The outstanding amount of the F&M Bank line of credit as of 12/31/2011 was \$1,710,128 with an interest cost at 3.5% of \$59,854.

6. In your response to staff's third data request, the Utility noted that it had a deferred income taxes liability for 2009 of \$2,293, an asset of \$5,472 for 2010, and a liability of \$23,221 for the adjusted year of 2011. Please provide the specific amounts for accounts 190 and 281 for each year in 2009, 2010, and 2011.

The amount provided for 2010 was the amount calculated for that year alone and should have been netted against the amount from 2009 for a net asset of \$3,179. Please see the chart below for the amounts by account.

Account	Year		
	2009	2010	2011
190	0	3,179	0
281	2,293	0	23,221

7. Please state the amount of NOL carry forwards the Utility has available to offset taxes for each of the calendar years 2012, 2013, 2014, 2015, and 2016, respectively.

Pluris Wedgefield, Inc. has a NOL carry forward of \$196,839. The amount available to offset taxes for each year going forward depends on each year's future earnings. Based solely on the requested revenues as shown in the MFRs, the contemplated use of the NOL is listed in the below table.

96,839 NOL carry forward

41,419 Income Taxes per MFR (Sch B-1 and B-2)

NOL USED

2012	2013	2014	2015	2016
-	41,419	5,420	-	-

Pluris recognizes that Staff may pursue this and attempt to remove this amount from the revenue requirement, but Pluris holds the position that the equity owners have financed the past losses of the utility and therefore should not be further penalized by this reduction for the period required to remove the NOL carry forward.

The following items relate to the Utility's Plant.

8. In your response to staff's third data request, the Utility noted that it would need to retrieve the specific items that make up the wastewater organization costs from the prior owner. Please provide an update for this data request.

We are currently waiting for support to be provided by Utilities Inc.

9. Since the last rate case for the Utility's water system, plant has only increased by approximately 8 percent; however, the depreciation expense has increased by approximately 93 percent. Given the wide disparity in these percentages, staff must conduct a 100 percent recalculation to verify the accuracy of test year depreciation expense. Therefore, staff has attached is a copy of MFR Schedule A-5, from the prior case, docket number 0.70694-WS.

Depreciation expense has increased significantly since the last rate case due to the addition of work in progress to plant in service. Per Order No. PSC-08-0827-PAA-WS (Docket No. 070694-WS) Schedule 1-A (Schedule of Water Rate Base), total Plant in Service as of the test year ended 6/30/2007 was \$6,890,172. This total included an adjustment by the Utility of \$3,216,180. However, there was no material adjustment made to Accumulated Depreciation on line 5 of this schedule. There was no depreciation expense booked for these additions as of the test year ended 6/30/2007. Depreciation of these additions would have occurred after the test year and continued going forward. Pluris Wedgefield, Inc. has continued taking depreciation on these additions and this is reflected on the MFRs accordingly. In order to provide comfort around the increase in depreciation expense, Pluris has constructed the below analysis.

	Test Year per Utility 6/30/2007	Utility Adjustments 6/30/2007	Adjusted Test Year 6/30/2007	Commission Adjusted Test Year 6/30/2007
Plant in Service*	3,755,562	3,216,180	6,971,742	6,890,172
Depreciation Expense**	124,392	0	124,392	124,392
Depreciation Rate	3.3%	0.0%	1.8%	1.8%
	12/31/2011	12/31/2011	12/31/2011	12/31/2011
Plant in Service	7,437,751	0	7,437,751	7,437,751
Depreciation Expense	240,076	0	240,076	240,076
Depreciation Rate	3.2%		3.2%	3.2%
2011 Avg Depr Life	32.5 Years			
Calculated Depr Rate	3.1%			
		6/30/2007		6/30/2007- 12/31/2011
% Increase in Plant		85.6%		7.9%
% Increase in Depr Exp		0.0%		93.0%

* Source: Schedule No. 1-A, Order No. PSC-08-0827-PAA-WS

** Depreciation expense for 6/30/2007 test year derived by dividing Pluris' 2011 depreciation expense by 1.93 (Staff indicated that depreciation expense had increased by 93%)

Conclusion: Although Staff noticed a 93% increase in depreciation expense with only an 8% increase in plant from June 30, 2007 to December 31, 2011, the adjustment to plant in the previous test year (86% increase) did not yield any increase in depreciation expense. As is evidenced by the calculations above, with an average depreciable life of plant assets of 32.5 years and a depreciable rate of 3.1% per year, Pluris' depreciation as of 12/31/2011 is in line with this calculation at 3.2% and is also comparable to the 6/30/2007 test year (prior to adjustments) at 3.3%. Pluris is confident that the depreciation calculation as of the test year of 12/31/2011 is correct.

- a. Please provide the plant additions by primary account, specifically the updated amounts for Lines 1-43, for the last 6 months of 2007, and each year from 2008 to the test year.

Please see the above response for analysis.

- b. Additionally, please identify the reclassification of any plant by primary account and provide a justification for the reclassification.

Please see the above response for analysis.

The following items relate to Pluris Alabama, LLC.

10. Pluris Alabama, LLC is listed as an entity of the Pluris Holdings, Inc. Please give a breakdown of the EDUs associated with this entity, and an explanation of why it is not included in the allocation of either indirect or salary costs.

There are no EDUs with this entity. Pluris Holdings, LLC management spends little or no time on in Pluris Alabama LLC, and believes it is de minimis. The time spent in 2010 and on few occasions in 2011 by Mr. Gallarda was related to permitting the well through the Alabama Department of Environmental Management ("ADEM"). Pluris has a local non Pluris employee that lives in Rogersville (nearby community) that handles corporate related issues with the East Lauderdale Water and Fire Protection Authority ("ELCW&FPA"). This person receives a small percentage of the wholesale water rate to handle the ELCW&FPA. Other than the de minimis time spent by Mr. Gallarda, no other expenses related to Alabama non-regulated operations are charged directly or through an allocation to any regulated utility operations or capital investment.

11. According to the Alabama Department of Environmental Management (ADEM), Pluris Alabama, LLC is permitted to operate a water supply well (Center Star) and three miles of PVC water main. In your response to staff's third data request, the Utility noted that the water district provides all operations and maintenance including labor and material costs relating to the well. How does the Utility plan to allocate the costs of plant improvements for this system.

Pluris Alabama LLC is the owner of the water well and holds the permit as owner. As stated previously the East Lauderdale Water and Fire Protection Authority ("ELCW&FPA") provides all operating related activities for the water well. ELCW&FPA pays all costs relating to the operations of the water well including all labor, chemicals, electricity and other costs. ELCW&FPA also provides the monthly meter read to Pluris and makes a monthly payment for water used from the well. Regarding improvement costs, ELCW&FPA is responsible for any changes as the

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
Public Service Commission
January 11, 2013
Page 7

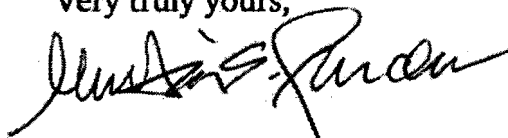
water from the well meets all Alabama Department of Environmental Management requirements for drinking water. As the most recent example, ELCW&FPA wanted to reduce pH below existing levels even though the water meets ADEM requirements. ELCW&FPA is spending approximately \$10,000 of its own funds to add a sodium phosphate feeder system at the well to reduce pH. Pluris is not spending any of its own funds.

12. Cherokee Water LLC (Pluris Alabama, LLC) submitted payment in the amount of \$2,485 by check number 1480, dated May 9, 2011, for the permit to operate Pluris Alabama, LLC to the ADEM. Is this fee included in Pluris Holding's 2011 expenses on MFR Schedule G-2, page 125?

No, the \$2,485 fee is not included in Pluris Holding's 2011 expenses on MFR Schedule G-2.

Should you or Staff have any questions, please do not hesitate to contact me.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

MSF/der
Enclosures

cc: Maurice Gallarda (via e-mail)
Dan Winters (via e-mail)
Ana VanEsselstine (via e-mail)
Bart Fletcher (via e-mail)

OFFICE LEASE

At

**2100 McKinney Avenue
Dallas, Texas**

Between

METROPOLITAN LIFE INSURANCE COMPANY (LANDLORD)

And

**STOCKDALE INVESTMENT GROUP, INC. AND PLURIS HOLDINGS LLC
(COLLECTIVELY, TENANT)**

DATED: September 30, 2010

TABLE OF CONTENTS

	PAGE
ARTICLE ONE BASIC LEASE PROVISIONS	1
1.01 BASIC LEASE PROVISIONS.....	1
1.02 ENUMERATION OF EXHIBITS.....	2
1.03 DEFINITIONS.....	3
ARTICLE TWO PREMISES, TERM AND FAILURE TO GIVE POSSESSION.....	8
2.01 LEASE OF PREMISES.....	8
2.02 TERM.....	9
2.03 FAILURE TO GIVE POSSESSION.....	9
2.04 AREA OF PREMISES.....	10
2.05 CONDITION OF PREMISES.....	10
ARTICLE THREE RENT	10
ARTICLE FOUR RENT ADJUSTMENTS AND PAYMENTS.....	10
4.01 RENT ADJUSTMENTS.....	10
4.02 STATEMENT OF LANDLORD.....	11
4.03 BOOKS AND RECORDS.....	12
4.04 PARTIAL OCCUPANCY.....	13
ARTICLE FIVE SECURITY DEPOSIT.....	13
ARTICLE SIX SERVICES.....	14
6.01 LANDLORD'S GENERAL SERVICES.....	14
6.02 ELECTRICAL SERVICES.....	16
6.03 ADDITIONAL AND AFTER-HOUR SERVICES.....	16
6.04 TELEPHONE SERVICES.....	17
6.05 DELAYS IN FURNISHING SERVICES.....	17
6.06 CHOICE OF SERVICE PROVIDER.....	18
ARTICLE SEVEN POSSESSION, USE AND CONDITION OF PREMISES	19
7.01 POSSESSION AND USE OF PREMISES.....	19
7.02 LANDLORD ACCESS TO PREMISES; APPROVALS.....	20
7.03 QUIET ENJOYMENT.....	21
ARTICLE EIGHT MAINTENANCE.....	22
8.01 LANDLORD'S MAINTENANCE.....	22
8.02 TENANT'S MAINTENANCE.....	22

ARTICLE NINE ALTERATIONS AND IMPROVEMENTS	22
9.01 TENANT'S ALTERATIONS	22
9.02 LIENS	24
ARTICLE TEN ASSIGNMENT AND SUBLETTING	24
10.01 ASSIGNMENT AND SUBLETTING	24
10.02 RECAPTURE	27
10.03 EXCESS RENT	27
10.04 TENANT LIABILITY.....	27
10.05 ASSUMPTION AND ATTORNMENT.....	28
ARTICLE ELEVEN DEFAULT AND REMEDIES	28
11.01 EVENTS OF DEFAULT	28
11.02 LANDLORD'S REMEDIES.....	29
11.03 ATTORNEY'S FEES.....	30
11.04 BANKRUPTCY	31
11.05 LANDLORD'S DEFAULT	31
ARTICLE TWELVE SURRENDER OF PREMISES	32
12.01 IN GENERAL.....	32
12.02 LANDLORD'S RIGHTS	32
ARTICLE THIRTEEN HOLDING OVER	33
ARTICLE FOURTEEN DAMAGE BY FIRE OR OTHER CASUALTY	33
14.01 SUBSTANTIAL UNTENANTABILITY	33
14.02 INSUBSTANTIAL UNTENANTABILITY	34
14.03 RENT ABATEMENT	34
ARTICLE FIFTEEN EMINENT DOMAIN	35
15.01 TAKING OF WHOLE OR SUBSTANTIAL PART.....	35
15.02 TAKING OF PART.....	35
15.03 COMPENSATION	35
ARTICLE SIXTEEN INSURANCE	36
16.01 TENANT'S INSURANCE.....	36
16.02 FORM OF POLICIES.....	36
16.03 LANDLORD'S INSURANCE.....	36
16.04 WAIVER OF SUBROGATION.....	37
16.05 NOTICE OF CASUALTY	38

ARTICLE SEVENTEEN WAIVER OF CLAIMS AND INDEMNITY	38
17.01 WAIVER OF CLAIMS	38
17.02 INDEMNITY BY TENANT	39
ARTICLE EIGHTEEN RULES AND REGULATIONS	39
18.01 RULES	39
18.02 ENFORCEMENT	39
ARTICLE NINETEEN LANDLORD'S RESERVED RIGHTS.....	40
ARTICLE TWENTY ESTOPPEL CERTIFICATE.....	40
20.01 IN GENERAL.....	40
20.02 ENFORCEMENT	41
ARTICLE TWENTY-ONE INTENTIONALLY DELETED	41
ARTICLE TWENTY-TWO REAL ESTATE BROKERS.....	41
ARTICLE TWENTY-THREE MORTGAGEE PROTECTION	41
23.01 SUBORDINATION AND ATTORNMENT	41
23.02 MORTGAGEE PROTECTION	42
ARTICLE TWENTY-FOUR NOTICES.....	42
ARTICLE TWENTY-FIVE INTENTIONALLY DELETED	44
ARTICLE TWENTY-SIX MISCELLANEOUS	44
26.01 LATE CHARGES.....	44
26.02 WAIVER OF JURY TRIAL.....	44
26.03 INTENTIONALLY DELETED	44
26.04 OPTION	44
26.05 TENANT AUTHORITY	44
26.06 OFAC.....	45
26.07 ENTIRE AGREEMENT.....	45
26.08 MODIFICATION OF LEASE FOR BENEFIT OF MORTGAGEE	45
26.09 EXCULPATION.....	45
26.10 ACCORD AND SATISFACTION.....	46
26.11 LANDLORD'S OBLIGATIONS ON SALE OF BUILDING	46
26.12 BINDING EFFECT	46
26.13 CAPTIONS	46
26.14 APPLICABLE LAW	46
26.15 ABANDONMENT	46
26.16 LANDLORD'S RIGHT TO PERFORM TENANT'S DUTIES	47

26.17 RIDERS	47
26.18 GUARANTY	47

OFFICE LEASE

ARTICLE ONE
BASIC LEASE PROVISIONS

1.01 BASIC LEASE PROVISIONS

In the event of any conflict between these Basic Lease Provisions and any other Lease provision, such other Lease provision shall control.

- (1) BUILDING AND ADDRESS:
2100 McKinney Avenue
Dallas, Texas 75201
- (2) LANDLORD AND ADDRESS:
Metropolitan Life Insurance Company
c/o CB Richard Ellis, Inc.
2100 McKinney Avenue, Suite 1080
Dallas, Texas 75201
- (3) TENANT AND CURRENT ADDRESS:
 - (a) Name: Stockdale Investment Group, Inc. and Pluris Holdings LLC
 - (b) Stockdale Investment Group, Inc. was organized under the laws of the State of California
Pluris Holdings LLC was organized under the laws of the State of Nevada.
- (4) DATE OF LEASE: September 30, 2010
- (5) LEASE TERM: 96 months (plus any partial calendar month in which the Commencement Date occurs).
- (6) PROJECTED COMMENCEMENT DATE: March 1, 2011
- (7) PROJECTED EXPIRATION DATE: February 28, 2019
- (8) MONTHLY BASE RENT:

<u>Period from/to</u>	<u>Monthly</u>	<u>Annually</u>	<u>Rate/SF of Rentable Area</u>
Lease Months* 1-10	\$ 9,775.42	\$117,305.00	\$29.00**
Lease Months 11-22	\$ 9,775.42	\$117,305.00	\$29.00
Lease Months 23-46	\$10,112.50	\$121,350.00	\$30.00
Lease Months 47-70	\$10,786.67	\$129,440.00	\$32.00
Lease Months 71-96	\$11,123.75	\$133,485.00	\$33.00

* A Lease Month is a calendar month in a Lease Year.

**Notwithstanding anything to the contrary contained in this Lease, so long as Tenant is not in default beyond any applicable cure periods under the terms and conditions of this Lease as of the date any Monthly Base Rent would otherwise be due and owing on the 1st through 10th Lease Months of the Term ("Rent Abatement Month(s)"), Tenant shall be entitled to a credit against Monthly Base Rent in the amount of \$9,775.42 month for each Rent Abatement Month. Said credit shall be used solely to offset Monthly Base Rent during the Rent Abatement Month as aforesaid and in no circumstances shall Tenant be paid any amounts pursuant thereto.

In the event Tenant is in Default under the terms and conditions of this Lease on the day any installment of Monthly Base Rent is due during any Rent Abatement Month, then, in such event, the rent abatements as set forth above, shall no longer be in effect and Tenant shall be obligated, during the period of such uncured default, to pay the full Monthly Base Rent.

In the event of termination of this Lease at any time during the first twenty-four (24) Lease Months as a result of a default of Tenant thereunder or in the event of the occurrence of a default by Tenant during the first twenty-four (24) Lease Months which is continuing beyond the expiration of any applicable cure periods under the terms and conditions of this Lease without termination of this Lease, then, in addition to any other amounts recoverable by Landlord pursuant to the terms thereof, Tenant shall pay to Landlord an amount equal to the full amount of any credits realized by Tenant pursuant to this rent abatement.

- (9) RENTABLE AREA OF THE BUILDING: 350,155 square feet
- (10) RENTABLE AREA OF THE PREMISES: 4,045 square feet
- (11) SECURITY DEPOSIT: \$-0-
- (12) SUITE NUMBER OF PREMISES: 1550
- (13) TENANT'S SHARE: 1.155%
- (14) TENANT'S USE OF PREMISES: General office use.

1.02 ENUMERATION OF EXHIBITS

The exhibits set forth below and attached to this Lease are incorporated in this Lease by this reference:

- EXHIBIT A. Plan of Premises
- EXHIBIT B. Workletter Agreement
- EXHIBIT C. Rules and Regulations
- RIDER 1. Commencement Date Agreement
- RIDER 2. Additional Lease Provisions
- RIDER 3. Form of Guaranty Agreement

1.03 DEFINITIONS

For purposes hereof, the following terms shall have the following meanings:

AFFILIATE: Any corporation or other business entity which is currently owned or controlled by, owns or controls, or is under common ownership or control with Tenant.

ADJUSTMENT YEAR: The calendar year or any portion thereof after the Commencement Date of this Lease for which a Rent Adjustment computation is being made.

BUILDING: The office building located at 2100 McKinney Avenue, Dallas, Texas 75201.

COMMENCEMENT DATE: The date specified in Section 1.01(6) as the Projected Commencement Date, unless changed by operation of Article Two.

COMMON AREAS: All areas of the Real Property made available by Landlord from time to time for the general common use or benefit of the tenants of the Building, and their employees and invitees, or the public, as such areas currently exist and as they may be changed from time to time.

DECORATION: Tenant Alterations which do not require a building permit and which do not involve any of the structural elements of the Building, or any of the Building's systems, including, without limitation, its electrical, mechanical, plumbing and security and life/safety systems.

DEFAULT RATE: Two percent (2%) above the rate then most recently announced by Bank of America, Dallas, Texas, its successors or assigns, as its corporate base lending rate, from time to time announced, but in no event higher than the maximum rate permitted by law.

ELECTRICAL COSTS: All electricity costs and expenses which Landlord shall pay or become obligated to pay in connection with the ownership, management, operation, maintenance, replacement and repair of the Property.

ENVIRONMENTAL LAWS: Any Law governing the use, storage, disposal or generation of any Hazardous Material, including without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended and the Resource Conservation and Recovery Act of 1976, as amended.

EXPENSE STOP: The sum of Operating Expenses and Taxes per square foot of Rentable Area in the Building for calendar year 2011.

EXPIRATION DATE: The date specified in Section 1.01(7) unless changed by operation of Article Two.

FORCE MAJEURE: Any accident, casualty, act of God, war or civil commotion, strike or labor troubles, or any cause whatsoever beyond the reasonable control of Landlord, including,

but not limited to, energy shortages or governmental preemption in connection with a national emergency, or by reason of government laws or any rule, order or regulation of any department or subdivision thereof or any governmental agency, or by reason of the conditions of supply and demand which have been or are affected by war or other emergency.

HAZARDOUS MATERIAL: Such substances, material and wastes which are or become regulated under any Environmental Law; or which are classified as hazardous or toxic under any Environmental Law; and explosives and firearms, radioactive material, asbestos, and polychlorinated biphenyls.

INDEMNITEES: Collectively, Landlord, any Mortgagee or ground lessor of the Property, the property manager and the leasing manager for the Property and their respective directors, officers, agents and employees.

LAND: The parcels of real estate on which the Building is located.

LANDLORD WORK: The construction or installation of improvements to the Premises, to be furnished by Landlord, specifically described in the Workletter or exhibits attached hereto.

LAWS: All laws, ordinances, rules, regulations, other requirements, orders, rulings or decisions adopted or made by any governmental body, agency, department or judicial authority having jurisdiction over the Property, the Premises or Tenant's activities at the Premises and any covenants, conditions or restrictions of record which affect the Property.

LEASE: This instrument and all exhibits and riders attached hereto, as may be amended from time to time.

LEASE YEAR: The twelve month period beginning on the first day of the first month following the Commencement Date (unless the Commencement Date is the first day of a calendar month in which case beginning on the Commencement Date), and each subsequent twelve month, or shorter, period until the Expiration Date.

MONTHLY BASE RENT: The monthly rent specified in Section 1.01(8).

MORTGAGEE: Any holder of a mortgage, deed of trust or other security instrument encumbering the Property.

NATIONAL HOLIDAYS: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

OPERATING EXPENSES: All costs, expenses and disbursements of every kind and nature which Landlord shall pay or become obligated to pay in connection with the ownership, management, operation, maintenance, replacement and repair of the Property (including, without limitation, the amortized portion of any capital expenditure or improvement, together with interest thereon, and the costs of changing utility service providers). Operating Expenses shall not include, (i) costs of alterations of the premises of tenants of the Building or vacant premises in the Building not otherwise converted to Common Areas, (ii) costs of capital improvements to

the Building (except for amortized portion of capital improvements installed for the purpose of reducing or controlling Operating Expenses or complying with applicable Laws), (iii) depreciation charges, (iv) interest and principal payments on loans (except for loans for capital improvements which Landlord is allowed to include in Operating Expenses as provided above), (v) ground rental payments, (vi) real estate brokerage and leasing commissions, (vii) advertising and marketing expenses, (viii) costs of Landlord reimbursed by insurance proceeds, (ix) expenses incurred in negotiating leases of other tenants in the Building or enforcing lease obligations of other tenants in the Building, (x) Landlord's or Landlord's property manager's corporate general overhead or corporate general administrative expenses, (xi) Electrical Costs reimbursed by the Building's tenants, (xii) penalties and fines incurred by Landlord or its agents or employees; (xiii) costs of financing or refinancing the Building; (xiv) costs of services or benefits offered to some tenants, but not offered to Tenant; (xv) costs paid by Landlord to affiliates of Landlord to the extent such costs exceed the market costs of such items; (xvi) repairs or other work occasioned by (a) fire, windstorm or other casualty of an insurable nature or by the exercise of the right of eminent domain, but such costs or expenses of such repairs or work shall only be excluded to the extent that such costs or expenses are actually paid or reimbursed from insurance proceeds and/or condemnation awards, or (b) the gross negligence or willful misconduct of Landlord or any employee, agent or contractor of Landlord; (xvii) costs incurred due to violation by Landlord or any tenant (other than Tenant) or other occupant (other than those occupying by, through or under Tenant) of the terms and conditions of any lease, or any applicable legal requirements; (xviii) any costs, fines or penalties incurred due to violations by Landlord of any governmental rule or authority; (xix) costs of installing, owning, leasing or maintaining sculpture, paintings or other art; (xx) wages, salaries, or other compensation of any kind or nature paid to any executive employees above the grade of building manager; (xxi) rentals and other related expenses incurred in leasing air conditioning systems, elevators or other equipment ordinarily considered to be of a capital nature, except equipment which is used in providing janitorial services and which is not affixed to the Building; (xxii) any costs or expense (including, without limitation, litigation costs, attorney's fees and amounts paid as settlement or in respect of a judgment) arising from or attributable to claims by third parties for damage to property, or for injury to or death of persons; (xxiii) should the Building not be in compliance with the Americans With Disabilities Act (as amended) and/or the Texas Architectural Barriers Act (as amended), or laws of a similar nature, but only to the extent of such laws in effect as of the date of delivery of possession of the Premises to Tenant, no expenses of bringing the Building into such compliance shall be passed through to Tenant as an Operating Expense; (xxiv) any costs of conversions of HVAC equipment to comply with the Clean Air Act, as such Clean Air Act is in effect as of the date of delivery of possession of the Premises to Tenant, shall be at the Landlord's sole cost and expense and no cost to comply with the Clean Air Act (as such Clean Air Act is in effect as of the date of delivery of possession of the Premises to Tenant) shall be passed through to the Tenant as an Operating Expense; (xxv) the cost of the office space for Landlord's on-site management office; (xxvi) capital costs incurred in correcting structural defects in the original construction of the Building, but the mere failure of a component of the Building to wear as well or as long as originally anticipated or as it would be under ideal circumstances and normal wear and tear and obsolescence do not constitute defects in original construction for purposes hereof; (xxvii) costs of any additional casualty insurance premiums for the Building in excess of the standard rate which are paid by Landlord because of unusually risky use or operations of any other tenant of the Building, if clearly assessed for that

reason; (xxviii) costs incurred by Landlord due to the proven violation by Landlord of the terms and/or conditions of any lease of space in the Building; (xxix) charitable or political contributions; (xxx) if any Operating Expense, though paid in one year, relates to more than one calendar year, at the option of Landlord such expense may be allocated among such related calendar years; (xxxi) costs incurred by Landlord to remove or otherwise remedy or remediate Hazardous Materials, with the exception of monitoring and training of employees regarding same and with the further exception of normal environmental testing, monitoring and compliance costs typical for similar office buildings in the same market area as the Building on a routine basis; and (xxxii) expenses for repairs or maintenance related to the Building which have been reimbursed to Landlord pursuant to warranties or service contracts. If any Operating Expense, though paid in one year, relates to more than one calendar year, at option of Landlord such expense may be proportionately allocated among such related calendar years.

PREMISES: The space located in the Building described in Section 1.01(10) and depicted on Exhibit A attached hereto.

PROPERTY: The Building, the Land, any other improvements located on the Land, including, without limitation, any parking structures and the personal property, fixtures, machinery, equipment, systems and apparatus located in or used in conjunction with any of the foregoing.

REAL PROPERTY: The Property excluding any personal property.

RENT: Collectively, Monthly Base Rent, Storage Space Rent, Rent Adjustments and Rent Adjustment Deposits, and all other charges, payments, late fees or other amounts required to be paid by Tenant under this Lease.

RENTABLE AREA OF THE BUILDING: 350,155 square feet, which represents the sum of the rentable area of all office space in Building.

RENTABLE AREA OF THE PREMISES: The amount of square footage set forth in 1.01(10). Tenant acknowledges that "Rentable Area of the Premises" as used in this Lease includes a portion of the common and service areas of the Building, it being hereby acknowledged and agreed in that regard that a fifteen and 8/10 percent (15.8%) add-on factor has been used to calculate the ratio for the multi-tenant floor occupancy of Tenant in determining the initial Rentable Area of the Premises for purposes of this Lease.

RENT ADJUSTMENT: Any amounts owed by Tenant for payment of Operating Expenses or Taxes. The Rent Adjustments shall be determined and paid as provided in Article Four.

RENT ADJUSTMENT DEPOSIT: An amount equal to the Rent Adjustments attributable to each month within the latest Adjustment Year for which the Rent Adjustment has been determined.

SECURITY DEPOSIT: The funds specified in Section 1.01(11), if any, deposited by Tenant with Landlord as security for Tenant's performance of its obligations under this Lease.

STANDARD OPERATING HOURS: Monday through Friday from 6:00 A.M. to 7:00 P.M., excluding National Holidays.

SUBSTANTIALLY COMPLETE: The completion of the Landlord Work or Tenant Work, as the case may be, except for minor insubstantial details of construction, decoration or mechanical adjustments which remain to be done.

TAXES: All federal, state and local governmental taxes, assessments and charges of every kind or nature, whether general, special, ordinary or extraordinary, which Landlord shall pay or become obligated to pay because of or in connection with the ownership, leasing, management, control or operation of the Property or any of its components, or any personal property used in connection therewith, which shall also include any excise, transaction, sales, margin or privilege tax now or hereafter levied or imposed upon Landlord by any government or governmental agency on account of, attributed to or measured by or based upon (in whole or in part) Landlord's gross revenue (after any applicable deductions) or rent or other charges or prorations payable under this Lease. For purposes hereof, Taxes for any year shall be Taxes which are assessed or become a lien during such year, whether or not such taxes are billed and payable in a subsequent calendar year. There shall be included in Taxes for any year the amount of all fees, costs and expenses (including reasonable attorneys' fees) paid by Landlord during such year in seeking or obtaining any refund or reduction of Taxes. Taxes for any year shall be reduced by the net amount of any tax refund received by Landlord attributable to such year. If a special assessment payable in installments is levied against any part of the Property, Taxes for any year shall include only the installment of such assessment and any interest payable or paid during such year. Taxes shall not include Landlord's federal or state inheritance, general income, gift or estate taxes except if a change occurs in the method of taxation resulting in whole or in part in the substitution of any such taxes, or any other assessment, for any Taxes as above defined, any such substituted tax or assessment (including, without limitation, the so-called "franchise tax" or "margin tax" imposed as a result of Texas House Bill 3 enacted by the 79th Legislature in 2006, as same now exists or may hereafter be amended or succeeded), shall be included in the Taxes.

TENANT: Individually and/or collectively, Stockdale Investment Group, Inc. and Pluris Holdings LLC; provided, that it is acknowledged and agreed that all of the duties, obligations, promises, covenants and agreements contained in this Lease to be paid and performed by Tenant will be the joint and several obligation of all parties identified and defined as Tenant herein. Each party defined as Tenant agrees that Landlord, in Landlord's sole discretion, may (i) institute or bring suit against each such party, jointly and severally, or against one or more of such parties, (ii) compromise with any one or more of such parties for such consideration as Landlord and such party or parties may agree, and (iii) release one or more of such parties from liability hereunder; and each such party agrees that no such action by Landlord will impair or affect Landlord's right to collect costs, expenses, losses or damages suffered or incurred by Landlord from the other party defined as Tenant herein and not so sued, compromised with, settled with or released.

TENANT ADDITIONS: Collectively, Tenant Work and Tenant Alterations.

TENANT ALTERATIONS: Any alterations, improvements, additions, installations or construction in or to the Premises or any Real Property systems serving the Premises (whether done as part of Landlord Work or Tenant Work); and any supplementary air-conditioning systems installed by Landlord or by Tenant at Landlord's request pursuant to Section 6.01(b).

TENANT DELAY: Any event or occurrence which delays the completion of the Landlord Work which is caused by or is described as follows:

- (i) special work, changes, alterations or additions requested or made by Tenant in the design or finish in any part of the Premises after approval of the plans and specifications (as described in the Workletter);
- (ii) Tenant's delay in submitting plans, supplying information, approving plans, specifications or estimates, giving authorizations or otherwise;
- (iii) failure to approve and pay for such Tenant Work as Landlord undertakes to complete at Tenant's expense; or
- (iv) the performance or completion by Tenant or any person engaged by Tenant of any work in or about the Premises.

TENANT WORK: All work installed or furnished to the Premises by Tenant pursuant to the Workletter.

TENANT'S SHARE: The percentage specified in Section 1.01(13) which represents the ratio of the Rentable Area of the Premises to the Rentable Area of the Building.

TERM: The term of this Lease commencing on the Commencement Date and expiring on the Expiration Date.

TERMINATION DATE: The Expiration Date or such earlier date as this Lease terminates or Tenant's right to possession of the Premises terminates.

WORKLETTER: The Agreement regarding the manner of completion of Landlord Work and Tenant Work attached as Exhibit B attached hereto.

ARTICLE TWO PREMISES, TERM AND FAILURE TO GIVE POSSESSION

2.01 LEASE OF PREMISES

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises for the Term and upon the terms, covenants and conditions provided in this Lease. In the event Landlord delivers possession of the Premises to Tenant prior to the Commencement Date, Tenant shall be subject to all of the terms, covenants and conditions of this Lease (except with respect to the payment of Rent) as of the date of such possession.

2.02 TERM

(a) The Commencement Date shall be the earlier of the date determined as follows:

(i) the date which is 90 days following the date that Landlord delivers possession of the Premises to Tenant; or

(ii) the date Tenant first occupies all or part of the Premises for the conduct of business;

(b) Within thirty (30) days following the occurrence of the Commencement Date, Landlord and Tenant shall enter into an agreement (which is attached hereto as Rider 1) confirming the Commencement Date and the Expiration Date. If Tenant fails to enter into such agreement, then the Commencement Date and the Expiration Date shall be the dates designated by Landlord in such agreement.

2.03 FAILURE TO GIVE POSSESSION

Landlord shall deliver possession of the Premises to Tenant no later than November 1, 2010 so that Tenant may cause the Tenant Work to be performed and completed in the Premises pursuant to the Workletter and to otherwise make the Premises ready for Tenant's use and occupancy for the conduct of its business. If the Landlord shall be unable to give possession of the Premises by November 1, 2010 by reason of the following: (i) the holding over or retention of possession of any tenant, tenants or occupants, or (ii) for any other reason, then Landlord shall not be subject to any liability for the failure to give possession on said date. Under such circumstances the rent reserved and covenanted to be paid herein shall not commence until the Premises are made available to Tenant by Landlord, and no such failure to give possession on November 1, 2010 shall affect the validity of this Lease or the obligations of the Tenant hereunder; provided, however, if and to the extent that Landlord fails to deliver possession of the Premises to Tenant on or before November 15, 2010 (which date shall be subject to extension, however, on a day-for-day basis for each day beyond November 15, 2010 that such delivery of possession is delayed by virtue of the occurrence of an event of Force Majeure, fire or other casualty), then Tenant shall, as Tenant's sole remedy for Landlord's failure to deliver such Premises to Tenant on or before November 15, 2010 (as such date may be extended as set forth above), be entitled to abatement of two (2) days of Monthly Base Rent otherwise payable by Tenant under this Lease for each day of such delay of delivery of possession of the Premises to Tenant; provided, further, that if for any reason Landlord has failed to deliver possession of the Premises to Tenant on or before March 1, 2011, then Tenant shall be entitled, at Tenant's sole option (to be exercised by written notice of such election delivered to Landlord on or before March 15, 2011), and as Tenant's sole remedy for such failure of delivery of possession, to terminate this Lease, and this Lease shall then terminate on the date which is ten (10) business days following the date of Landlord's receipt of such notice from Tenant unless possession of the Premises is delivered by Landlord to Tenant on or prior to the expiration of such ten (10) business day period. At the Landlord's option, to be exercised within thirty (30) days of any delayed delivery of possession to Tenant as set forth in this paragraph above, the Lease shall be amended so that the Lease Term shall be extended by the period of time possession is delayed.

2.04 AREA OF PREMISES

Landlord and Tenant agree that for all purposes of this Lease the Rentable Area of the Premises and the Rentable Area of the Building as set forth in Article One are controlling, and are not subject to revision after the date of this Lease.

2.05 CONDITION OF PREMISES

Tenant shall notify Landlord in writing within thirty (30) days after the later of Substantial Completion of the Landlord Work or when Tenant takes possession of the Premises of any defects in the Premises claimed by Tenant or in the materials or workmanship furnished by Landlord in completing the Landlord Work. Except for defects stated in such notice and further except for any latent defects in the materials or workmanship furnished by Landlord, if any, of which Tenant notifies Landlord in writing on or before the expiration of twelve (12) months following the Commencement Date, Tenant shall be conclusively deemed to have accepted the Premises "AS IS" in the condition existing on the date Tenant first takes possession, and to have waived all claims relating to the condition of the Premises. Landlord shall proceed diligently to correct the defects stated in such notice unless Landlord disputes the existence of any such defects. In the event of any dispute as to the existence of any such defects, the decision of Landlord's architect shall be final and binding on the parties. No agreement of Landlord to alter, remodel, decorate, clean or improve the Premises or the Real Property and no representation regarding the condition of the Premises or the Real Property has been made by or on behalf of Landlord to Tenant, except as may be specifically stated in this Lease or in the Workletter.

ARTICLE THREE RENT

Tenant agrees to pay to Landlord at the office specified in Section 1.01(2), or to such other persons, or at such other places designated by Landlord, without any prior demand therefor in immediately available funds and without any deduction or offset whatsoever, Rent, including, without limitation, Monthly Base Rent and Rent Adjustments in accordance with Article Four, during the Term except for Rent abatement in Section 1.01(8) and any other Rent abatement expressly provided in this Lease. Monthly Base Rent shall be paid monthly in advance on the first day of each month of the Term, except that the first installment of Monthly Base Rent shall be paid by Tenant to Landlord on the Commencement Date. Monthly Base Rent shall be prorated for partial months within the Term. Unpaid Rent shall bear interest at the Default Rate from the date due until paid. Tenant's covenant to pay Rent shall be independent of every other covenant in this Lease.

ARTICLE FOUR RENT ADJUSTMENTS AND PAYMENTS

4.01 RENT ADJUSTMENTS

Tenant shall pay to Landlord Rent Adjustments during the Term as follows:

(i) The Rent Adjustment Deposit representing (a) Tenant's Share of Operating Expenses and Taxes in excess of the Expense Stop, and (b) Tenant's Share of Electrical Costs, both attributable to any calendar year (or portion thereof) monthly during the Term with the payment of Monthly Base Rent except the first installment which shall be paid by Tenant to Landlord on the Commencement Date; and

(ii) Any Rent Adjustments due in excess of the Rent Adjustment Deposits in accordance with Section 4.02.

Notwithstanding the foregoing, it is agreed that for the purpose of determining such Rent Adjustments, Tenant's share of Operating Expenses (exclusive of the Non-Capped Operating Expenses, as hereinafter defined) for any calendar year during the Lease Term shall not be increased, for purposes hereof, by more than six percent (6%) over the amount of Tenant's Share of Operating Expenses (exclusive of the Non-Capped Operating Expenses) for the then immediately preceding calendar year, determined from year to year on a cumulative and compounding basis. By way of illustration only, if Tenant's share of Operating Expenses (exclusive of Non-Capped Operating Expenses) for the first calendar year following the Commencement Date is \$10.00 per square foot of Rentable Area, then Tenant's share of Operating Expenses (exclusive of Non-Capped Operating Expenses) for the next calendar year immediately following such first calendar year shall not exceed \$10.60 per square foot of Rentable Area, and Tenant's share of Operating Expenses (exclusive of Non-Capped Operating Expenses) for the third calendar year following the Commencement Date shall not exceed \$11.24 per square foot of Rentable Area, and so forth; provided, further, and again by way of illustration only, if Tenant's share of Operating Expenses are \$10.00 per square foot of Rentable Area for the initial calendar year following the Commencement Date (exclusive of Non-Capped Operating Expenses), then Tenant's share of Operating Expenses (exclusive of Non-Capped Operating Expenses) for the next calendar year immediately following such first calendar year shall not increase by more than six percent (6%) over such amount, but if the same increases by only three percent (3%) in such next calendar year, then such share may increase by up to nine percent (9%) in the third calendar year following the Commencement Date (i.e., resulting in a cumulative average increase of six percent (6%) per year for such 2-year period), and so forth. For purposes hereof, the term "Non-Capped Operating Expenses" shall mean (a) expenditures of a capital nature relating to improvements, additions, changes or replacements required by law, ordinance or requirement of any governmental authority having jurisdiction which are enacted or come into effect from and after the date of delivery of possession of the Premises to Tenant (which expenses shall, however, be amortized over the useful life of any such improvements, additions, changes or replacements), (b) all utilities expenses, (c) all Taxes and assessments permitted hereunder to be included in Operating Expenses, and (d) all insurance premiums and costs.

4.02 STATEMENT OF LANDLORD

As soon as feasible after the expiration of each calendar year of this Lease, Landlord will furnish Tenant a statement ("Landlord's Statement") showing the following:

(i) Operating Expenses and Taxes in excess of the Expense Stop and Electrical Costs for the Adjustment Year;

(ii) The amount of Rent Adjustments due Landlord for the Adjustment Year, less credit for Rent Adjustment Deposits paid, if any; and

(iii) The Rent Adjustment Deposit due monthly in the calendar year next following the Adjustment Year including the amount or revised amount due for months prior to the rendition of the statement.

Tenant shall pay to Landlord within thirty (30) days after receipt of such statement any amounts for Rent Adjustments then due in accordance with Landlord's Statement. Any amounts due from Landlord to Tenant pursuant to this Section shall be credited to the Rent Adjustment Deposit next coming due, or refunded to Tenant if the Term has already expired provided Tenant is not in default hereunder. No interest or penalties shall accrue on any amounts which Landlord is obligated to credit to Tenant by reason of this Section 4.02. Landlord's failure to deliver Landlord's Statement or in computing the amount of the Rent Adjustments shall not constitute a waiver by Landlord of its right to deliver such items nor constitute a release of Tenant's obligations to pay such amounts; provided, however, that if the Landlord's Statement is not delivered to Tenant by September 1 of the calendar year immediately following the calendar year to which such Landlord's Statement applies (provided, further, that such September 1 deadline shall be extended, on a day-for-day basis, for each day that delivery of such Landlord's Statement is delayed by virtue of any events beyond Landlord's reasonable control, including without limitation delay in delivery to Landlord of invoices, statements or tax bills relating to Operating Expenses to be included in such Landlord's Statement and/or delay due to events of Force Majeure), then the estimated Rent Adjustment Deposits already paid by Tenant to Landlord for such applicable calendar year shall be deemed to be the sole amounts due for such calendar year and there shall be no further adjustments to such amount for such calendar year hereunder. The Rent Adjustment Deposit shall be credited against Rent Adjustments due for the applicable Adjustment Year. Tenant's obligation to pay Rent Adjustments survives the expiration or termination of the Lease. Notwithstanding the foregoing, in no event shall the sum of Monthly Base Rent and the Rent Adjustments be less than the Monthly Base Rent amount payable hereunder.

4.03 BOOKS AND RECORDS

Landlord shall maintain books and records showing Operating Expenses, Electrical Costs and Taxes in accordance with sound accounting and management practices, consistently applied. The Tenant or its representative (which representative shall be a certified public accountant licensed to do business in the state in which the Property is located) shall have the right, for a period of sixty (60) days following the date upon which Landlord's Statement is delivered to Tenant, to examine the Landlord's books and records with respect to the items in the foregoing statement of Operating Expenses and Taxes during normal business hours, upon written notice, delivered at least three (3) business days in advance. If Tenant does not object in writing to Landlord's Statement within ninety (90) days of Tenant's receipt thereof, specifying the nature of the item in dispute and the reasons therefor, then Landlord's Statement shall be considered final and accepted by Tenant. Any amount due to the Landlord as shown on Landlord's Statement, whether or not disputed by Tenant as provided herein shall be paid by Tenant when due as provided above, without prejudice to any such written exception.

In the event such audit discloses (i) errors made during the prior calendar year which, when totaled, established that the sum overcharged to and paid by Tenant exceeds five percent (5%) of the actual (as distinguished from estimated) amount of Tenant's Share of Operating Expenses and Taxes, Tenant's costs of the audit shall be paid by Landlord up to a maximum amount of \$3,000.00, or (ii) no errors or an error which equals or is less than five percent (5%), Tenant's costs of the audit shall be paid by Tenant. If the audit determines that any sums are due and owing Tenant, such sums shall be credited to Tenant's account unless the Lease has been terminated, in such event Landlord shall arrange to promptly pay Tenant such amount.

Tenant acknowledges and agrees that it is a condition of Tenant's right to conduct an audit pursuant to the foregoing, that Tenant and/or its representative, prior to commencement of such audit, execute a confidentiality agreement whereby Tenant and/or its representative agree to keep confidential and not disclose to any other party (other than Tenant's employees involved in such audit, and other professionals directly involved in the audit or results thereof) the results of any such audit or any action taken by Landlord in response thereto, except if required to disclose such information as required by applicable law or court order.

4.04 PARTIAL OCCUPANCY

For purposes of determining Rent Adjustments for any Adjustment Year if the Building is not fully rented during all or a portion of any year, Landlord may make appropriate adjustments to the Operating Expenses and Electrical Costs for such Adjustment Year employing sound accounting and management principles consistently applied from year to year, to determine the amount of Operating Expenses and Electrical Costs that would have been paid or incurred by Landlord had the Building been 95% occupied, and the amount so determined shall be deemed to have been the amount of Operating Expenses and Electrical Costs for such Adjustment Year. In the event that the Real Property is not fully assessed for any year, then Taxes shall be adjusted to an amount which would have been payable in such year if the Real Property had been fully assessed. In the event any other tenant in the building provides itself with a service which Landlord would supply under the Lease without an additional or separate charge to Tenant, then Operating Expenses shall be deemed to include the cost Landlord would have incurred had Landlord provided such service to such other tenant.

ARTICLE FIVE SECURITY DEPOSIT

Tenant concurrently with the execution of this Lease shall pay to Landlord the Security Deposit. The Security Deposit may be applied by Landlord to cure any default of Tenant under this Lease, and upon notice by Landlord of such application, Tenant shall replenish the Security Deposit in full by paying to Landlord within ten (10) days of demand the amount so applied. Landlord shall not pay any interest on the Security Deposit. The Security Deposit shall not be deemed an advance payment of Rent, nor a measure of damages for any default by Tenant under this Lease, nor shall it be a bar or defense of any action which Landlord may at any time commence against Tenant. In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the Security Deposit or the remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of this Lease. Upon the

transfer of Landlord's interest under this Lease, Landlord's obligation to Tenant with respect to the security deposit shall terminate upon assumption of such obligation by the transferee.

Provided that this Lease has not then been terminated as a result of a Default by Tenant, the Security Deposit, or any balance thereof (after application of such Security Deposit as provided above and/or to any then outstanding Rent or other charges due and payable by Tenant under this Lease), shall be returned to Tenant within sixty (60) days after the latest to occur of the following:

- (a) the expiration of the Term of this Lease;
- (b) the removal of Tenant and its property from the Premises; and
- (c) the surrender of the Premises by Tenant to Landlord in accordance with this Lease.

ARTICLE SIX SERVICES

6.01 LANDLORD'S GENERAL SERVICES

(a) So long as the Lease is in full force and effect and Tenant has paid all Rent then due, Landlord shall furnish the following services:

(1) heating and air conditioning on a 24-hour basis, as necessary in Landlord's reasonable judgment for the comfortable occupancy of the Premises under normal business operations, subject to compliance with all applicable voluntary and mandatory regulations and Laws, at no additional charge to Tenant other than Tenant's Share of Electrical Costs. Landlord reserves the right, under certain conditions, and with thirty (30) days written notice to Tenant, to alter this policy in the future as dictated by governmental, lender or owner requirements; provided however, Landlord shall furnish heating and air conditioning during Standard Operating Hours and Saturdays from 9:00 A.M. to 1:00 P.M., excluding National Holidays;

(2) tempered and cold water for use in lavatories in common with other tenants from the regular supply of the Building;

(3) customary cleaning and janitorial services in the Premises five (5) days per week, excluding National Holidays;

(4) washing of the outside windows in the Premises weather permitting at intervals determined by Landlord;

(5) automatic passenger elevator service, in common with other tenants of the Building, on a 24-hour per day basis (provided, however, that Landlord may limit the number of elevators in operation at times other than during Standard Operating Hours),

and freight elevator service (subject to reasonable scheduling by Landlord and payment of Landlord's standard charges for such freight elevator service);

(6) replacement of Building-standard light bulbs, fluorescent tubes and ballasts;

(7) electrical current during Standard Operating Hours other than for special lighting, equipment that requires more than 110 volts or other equipment whose electrical energy consumption exceeds normal office usage;

(8) routine maintenance, painting and lighting service for all public areas, common areas and special service areas of the Building, in the manner and to the extent deemed by Landlord to be standard and in accordance with the standards of other comparable office buildings in the same general market area as the Building;

(9) routine landscaping maintenance;

(10) snow and ice removal, as deemed reasonably necessary by Landlord, from primary ingress, egress and parking areas;

(11) cleaning and maintenance of common area restroom facilities;

(12) routine pest control for the Building's common areas;

(13) an electronic building directory, that will include Tenant's name;

(14) on-site security personnel, from 4:00 p.m. to 12:00 a.m. on Monday through Friday, excluding National Holidays;

(15) a reasonably accessible management office, properly staffed and open during the Standard Operating Hours of the Building; and

(16) Tenant and its employees shall have the right, during the Term of this Lease, to utilize the fitness facility currently situated in the Building at no additional charge or cost to Tenant (other than any costs of operations, maintenance or repairs of such facility which are included in the Operating Expenses passed-through to Tenant pursuant to Article Four above); provided, that the use of such fitness facility shall be upon and subject to the rules and regulations, if any, reasonably promulgated by Landlord from time to time for such facility and governing the use thereof by all patrons thereof..

(b) Wherever heat generating machines or equipment are used by Tenant in the Premises, the following additional provisions shall apply:

(1) If the use of such machinery exceeds the limits established from time to time by the Building management thereby affecting the temperature otherwise maintained by the air-cooling system or whenever the occupancy or electrical load exceeds the standards set forth from time to time by the Building management, Landlord reserves the

right to install or to require Tenant to install supplementary air-conditioning units in the Premises. Tenant shall bear all costs and expenses related to the installation, maintenance and operation of such units.

(2) Tenant shall pay Landlord at rates fixed by Landlord for all tenants in the Building, charges for all water furnished to the Premises for other purposes, including the expenses of installation of a water line, meter and fixtures.

6.02 ELECTRICAL SERVICES

(a) The electricity used during the performance of janitorial service or the making of alterations or repairs in the Premises by Landlord shall be paid by Tenant. Tenant also agrees to purchase from Landlord or its agents, at competitive prices fixed by Landlord for all tenants in the Building, all non-Building standard lamps, bulbs, ballasts and starters used in the Premises and which Tenant requests Landlord to maintain and/or replace, and to pay a reasonable installation charge for any such items installed by Landlord at Tenant's request. Landlord reserves the right to provide electricity to Tenant and in such event Tenant agrees to purchase electricity from Landlord at Landlord's then current charges, provided that such charges are at market rates (though not necessarily the lowest available rate) at the time purchased or contracted for by Landlord. Tenant shall make no alterations or additions to the electric equipment or systems without the prior written consent of the Landlord in each instance.

(b) If Premises are separately metered, Tenant shall make all necessary arrangements with the utility provider chosen by Landlord for furnishing, metering and paying for electricity furnished by it to Tenant and consumed on the Premises. Landlord shall permit Landlord's wire and conduits, to the extent available and safely capable, to be used for such purposes.

(c) If the Premises are not separately metered for any reason, Tenant shall pay Landlord as additional Rent, in monthly installments at the time prescribed for monthly installments of Monthly Base Rent, an amount, reasonably estimated by Landlord from time to time, which Tenant would pay for such electricity if the same were separately metered to the Premises by the utility provider chosen by Landlord and billed to Tenant at such utility provider's then current rates.

6.03 ADDITIONAL AND AFTER-HOUR SERVICES

At Tenant's request, Landlord shall furnish additional quantities of any of the services or utilities specified in Section 6.01, if Landlord can reasonably do so, on the terms set forth herein. Tenant shall deliver to Landlord's property management office a written request (or telephone request only to the extent such telephone request is received in person) for such additional services or utilities prior to 4:00 P.M. on Monday through Friday (except National Holidays) for service on those days, and prior to 4:00 P.M. on the last business day prior to Saturday, Sunday or a National Holiday; provided, except for National Holidays, no such notice shall be required for HVAC service, which shall be on a 24 hour basis as set forth in Paragraph 8 of Rider 2. For services or utilities requested by Tenant and furnished by Landlord, Tenant shall pay to Landlord as a charge therefor Landlord's prevailing rates for such services and utilities. If Tenant shall fail to make any such payment within thirty (30) days after receipt of a written invoice therefor,

Landlord may, upon notice to Tenant and in addition to Landlord's other remedies under this Lease, discontinue any or all of such additional services.

6.04 TELEPHONE SERVICES

All telegraph, telephone, and electric connections which Tenant may desire (in addition to or in relocation of such connections as are installed pursuant to the approved plans as a part of the Work undertaken pursuant to and in accordance with Exhibit "B" to this Lease) shall be first approved by Landlord in writing, before the same are installed, and the location of all wires and the work in connection therewith shall be performed by contractors approved by Landlord and shall be subject to the direction of Landlord. Landlord reserves the right to designate and control the entity or entities providing telephone or other communication cable installation, repair and maintenance in the Building and to restrict and control access to telephone cabinets. In the event Landlord designates a particular vendor or vendors to provide such cable installation, repair and maintenance for the Building, Tenant agrees to abide by and participate in such program. Tenant shall be responsible for and shall pay all costs incurred in connection with the installation of telephone cables and related wiring in the Premises, including, without limitation, any hook-up, access and maintenance fees related to the installation of such wires and cables in the Premises and the commencement of service therein, and the maintenance thereafter of such wire and cables; and there shall be included in Operating Expenses for the Building all installation, hook-up or maintenance costs incurred by Landlord in connection with telephone cables and related wiring in the Building which are not allocable to any individual users of such service but are allocable to the Building generally. If Tenant fails to maintain all telephone cables and related wiring in the Premises and such failure affects or interferes with the operation or maintenance of any other telephone cables or related wiring in the Building, Landlord or any vendor hired by Landlord may enter into and upon the Premises forthwith and perform such repairs, restorations or alterations as Landlord deems necessary in order to eliminate any such interference (and Landlord may recover from Tenant all of Landlord's costs in connection therewith). Upon the Termination Date, Tenant agrees to remove all telephone cables and related wiring installed by Tenant for and during Tenant's occupancy, which Landlord shall request Tenant to remove; provided, however, that notwithstanding the foregoing provisions of this sentence, Tenant shall not be required to remove any telephone cables and/or related wiring installed by Tenant as a part of the Work undertaken pursuant to and in accordance with Exhibit "B" to this Lease. Tenant agrees that neither Landlord nor any of its agents or employees shall be liable to Tenant, or any of Tenant's employees, agents, customers or invitees or anyone claiming through, by or under Tenant, for any damages, injuries, losses, expenses, claims or causes of action because of any interruption, diminution, delay or discontinuance at any time for any reason in the furnishing of any telephone service to the Premises and the Building. Landlord agrees to cause access to the Building's telephone cabling and related wiring and fiber to not be generally available to the public.

6.05 DELAYS IN FURNISHING SERVICES

Tenant agrees that Landlord shall not be in breach of this Lease nor be liable to Tenant for damages or otherwise, for any failure to furnish, or a delay in furnishing, or a change in the quantity or character of any service when such failure, delay or change is occasioned, in whole or

in part, by repairs, improvements or mechanical breakdowns by the act or default of Tenant or other parties or by an event of Force Majeure. No such failure, delay or change shall be deemed to be an eviction or disturbance of Tenant's use and possession of the Premises, or relieve Tenant from paying Rent or from performing any other obligations of Tenant under this Lease, without any deduction or offset. Failure to any extent to make available, or any slowdown, stoppage, or interruption of, the specified utility services resulting from any cause, including, without limitation, changes in service provider or Landlord's compliance with any voluntary or similar governmental or business guidelines now or hereafter published or any requirements now or hereafter established by any governmental agency, board, or bureau having jurisdiction over the operation of the Building shall not render Landlord liable in any respect for damages to either persons, property, or business, nor be construed as an eviction of Tenant or work an abatement of Rent, nor relieve Tenant of Tenant's obligations for fulfillment of any covenant or agreement hereof. Should any equipment or machinery furnished by Landlord break down or for any cause cease to function properly, Landlord shall use reasonable diligence to repair same promptly, but Tenant shall have no claim for abatement of Rent or damages on account of any interruption of service occasioned thereby or resulting therefrom.

Notwithstanding the foregoing provisions of this Section 6.05 or anything else to the contrary contained in this Lease, any interruption of electrical service, HVAC service, sewer service or water service to the Premises (individually and/or collectively, the "Essential Services") in accordance with the requirements of this Article Six which is within Landlord's reasonable control and which "materially interferes" with Tenant's use of any material part of the Premises for a period of ten (10) consecutive business days after notice by Tenant to Landlord in writing of such interruption of Essential Service(s) shall entitle Tenant to abate the Monthly Base Rent under this Lease for that portion of the Premises which is rendered untenable by such service interruption for the period commencing on the eleventh (11th) business day of such interruption of such Essential Service(s) and terminating on the day of restoration of such Essential Service(s). For purposes of this Section 6.05, material interference with Tenant's use of the Premises shall be deemed to have occurred when Tenant shall be prevented from using the applicable portion(s) of the Premises for general office purposes as a consequence of Landlord's inability to provide the Essential Service(s) specified above. The abatement of Monthly Base Rent and Rent Adjustments as provided for in this Section 6.05 shall be Tenant's exclusive remedy for the unavailability of Essential Service(s) as specified herein, and in no event shall Landlord be liable for any damages, consequential or otherwise, by virtue of any such interruption of service(s). If the unavailability of such Essential Service(s) is caused by a condemnation or a casualty, then the provisions of this paragraph shall not be applicable thereto, and, rather, the provisions of Article Fourteen below shall then apply.

6.06 CHOICE OF SERVICE PROVIDER

Tenant acknowledges that Landlord may, at Landlord's sole option, to the extent permitted by applicable law, elect to change, from time to time, the company or companies which provide services (including, without limitation, electrical service, gas service, water and technical services) to the Building, the Premises and/or its occupants. Landlord shall endeavor to give Tenant not less than thirty (30) days notice of any scheduled change. Notwithstanding anything to the contrary set forth in this Lease, Tenant acknowledges that Landlord has not and does not

make any representations or warranties concerning the identity or identities of the company or companies which provide services to the Building and the Premises or its occupants and Tenant acknowledges that the choice of service providers and matters concerning the engagement and termination thereof shall be solely that of Landlord. The foregoing provision is not intended to modify, amend, change or otherwise derogate any provision of this Lease concerning the nature or type of service to be provided or any specific information concerning the amount thereof to be provided. Tenant agrees to cooperate with Landlord and each of its service providers in connection with any change in service or provider.

ARTICLE SEVEN
POSSESSION, USE AND CONDITION OF PREMISES

7.01 POSSESSION AND USE OF PREMISES

(a) Tenant shall occupy and use the Premises only for the uses specified in Section 1.01(14) to conduct Tenant's business. Tenant shall not occupy or use the Premises (or permit the use or occupancy of the Premises) for any purpose or in any manner which: (1) is unlawful or in violation of any Law or Environmental Law; (2) may be dangerous to persons or property or which may increase the cost of, or invalidate, any policy of insurance carried on the Building or covering its operations; (3) is contrary to or prohibited by the terms and conditions of this Lease or the rules of the Building set forth in Article Eighteen; or (4) would tend to create or continue a nuisance.

(b) Tenant and Landlord shall each comply with all Environmental Laws concerning the proper storage, handling and disposal of any Hazardous Material with respect to the Property. Tenant shall not generate, store, handle or dispose of any Hazardous Material in, on, or about the Property without the prior written consent of Landlord, except for such Hazardous Materials as are typically found or used in general office applications (including, but not limited to, cleaning supplies, inks, copier fluid, toner, ink drums and print cartridges) and which shall be permitted only so long as (i) such Hazardous Materials and any equipment which generates such Hazardous Materials are maintained only in such quantities as are reasonably necessary for Tenant's operation of its business in the Premises, (ii) such Hazardous Materials are used strictly in accordance with the manufacturer's instructions therefor, (iii) such Hazardous Materials are not disposed of in or about the Property in a manner which would constitute a release or discharge thereof, (iv) such Hazardous Materials and any equipment which generates such Hazardous Materials are removed from the Property by Tenant upon the expiration or earlier termination of this Lease, and (v) the use, storage, generation, disposal, release or discharge or any such Hazardous Materials shall be carried out in compliance with all Environmental Laws. In the event that Tenant is notified of any investigation or violation of any Environmental Law arising from Tenant's activities at the Premises, Tenant shall immediately deliver to Landlord a copy of such notice. In such event or in the event Landlord reasonably believes that a violation of Environmental Law exists, Landlord may conduct such tests and studies relating to compliance by Tenant with Environmental Laws or the alleged presence of Hazardous Materials upon the Premises as Landlord deems desirable, all of which shall be completed at Tenant's expense. Landlord's inspection and testing rights are for Landlord's own protection only, and Landlord has not, and shall not be deemed to have assumed any responsibility to Tenant or any

other party for compliance with Environmental Laws, as a result of the exercise, or non-exercise of such rights. Tenant shall indemnify, defend, protect and hold harmless the Indemnitees from any and all loss, claim, expense, liability and cost (including attorneys' fees) arising out of or in any way related to the presence of any Hazardous Material introduced to the Premises during the Lease Term by Tenant or Tenant's employees, agents, servants, licensees, contractors, subcontractors or invitees, or anyone acting by, through or under Tenant. If any Hazardous Material is released, discharged or disposed of on or about the Property and such release, discharge or disposal is not caused by Tenant or other occupants of the Premises, or their employees, agents or contractors, such release, discharge or disposal shall be deemed casualty damage under Article Fourteen to the extent that the Premises are affected thereby; in such case, Landlord and Tenant shall have the obligations and rights respecting such casualty damage provided under such Article.

(c) Landlord and Tenant acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C §12101 et seq.) and regulations and guidelines promulgated thereunder, and for purposes herein including the Texas Accessibility Standards, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the "ADA") establish requirements for business operations, accessibility and barrier removal, and that such requirements may or may not apply to the Premises and the Property depending on, among other things: (1) whether Tenant's business is deemed a "public accommodation" or "commercial facility", (2) whether such requirements are "readily achievable", and (3) whether a given alteration affects a "primary function area" or triggers "path of travel" requirements. The parties hereby agree that: (a) Landlord shall be responsible for ADA Title III compliance in the Common Areas, except as provided below, (b) Tenant shall be responsible for ADA Title III compliance in the Premises, including any leasehold improvements or other work to be performed in the Premises under or in connection with this Lease, (c) Landlord may perform, or require that Tenant perform, and Tenant shall be responsible for the cost of, ADA Title III "path of travel" requirements triggered by alterations in the Premises, and (d) Landlord may perform, or require Tenant to perform, and Tenant shall be responsible for the cost of, ADA Title III compliance in the Common Areas necessitated by the Building being deemed to be a "public accommodation" instead of a "commercial facility" as a result of Tenant's use of the Premises. Tenant shall be solely responsible for requirements under Title I of the ADA relating to Tenant's employees.

7.02 LANDLORD ACCESS TO PREMISES; APPROVALS

(a) Tenant shall permit Landlord to erect, use and maintain pipes, ducts, wiring and conduits in and through the Premises, so long as Tenant's use, layout or design of the Premises is not materially affected or altered. Landlord additionally hereby reserves the right from time to time to, and Tenant hereby acknowledges and agrees that Landlord may, construct or install demising walls and/or enclose doors, entry ways and corridors between the Premises and spaces adjoining the Premises (i) upon or in connection with the termination of any leases or other occupancy agreements relating to any such adjacent spaces or (ii) upon or in connection with the execution and agreement by Landlord to leases and/or occupancy agreements relating to any such adjoining spaces with any person or party other than Tenant or an Affiliate of Tenant (and/or in connection with the preparation of such adjoining spaces for any such person or party),

and Tenant agrees to reasonably cooperate with Landlord in the process of undertaking and completing any such alterations or improvements so long as Landlord reasonably endeavors to minimize any interference with the operation of Tenant's business in the Premises by virtue of such work; provided, further, that Tenant agrees that Landlord shall have no obligation or responsibility in such event to undertake or cause to be undertaken any work, alterations or improvements to finish any such demising walls or enclosures to match other alterations, improvements or finishes in any areas of the Premises. Landlord or Landlord's agents shall have the right to enter upon the Premises in the event of an emergency, or to inspect the Premises, to perform janitorial and other services, to conduct safety and other testing in the Premises and to make such repairs, alterations, improvements or additions to the Premises or the Building or other parts of the Property as Landlord may deem necessary or desirable (including, without limitation, all alterations, improvements and additions in connection with a change in service provider or providers). Janitorial and cleaning services shall be performed after normal business hours. Any entry or work by Landlord other than such janitorial and cleaning services shall (except in the event of a real or apparent emergency or as may otherwise be reasonably authorized by Tenant in advance) be during normal business hours and Landlord may use reasonable efforts to ensure that any entry or work shall not materially interfere with Tenant's occupancy of the Premises.

(b) If Tenant shall not be personally present to permit an entry into the Premises when for any reason an entry therein shall be necessary or permissible, Landlord (or Landlord's agents), after attempting to notify Tenant (unless Landlord believes an emergency situation exists), may enter the Premises without rendering Landlord or its agents liable therefor (if during such entry Landlord or Landlord's agent shall accord reasonable care to Tenant's property), and without relieving Tenant of any obligations under this Lease.

(c) Landlord may enter the Premises for the purpose of conducting such inspections, tests and studies as Landlord may deem desirable or necessary to confirm Tenant's compliance with all Laws and Environmental Laws or for other purposes necessary in Landlord's reasonable judgment to ensure the sound condition of the Property and the systems serving the Property. Landlord's rights under this Section 7.02(c) are for Landlord's own protection only, and Landlord has not, and shall not be deemed to have assumed any responsibility to Tenant or any other party as a result of the exercise or non-exercise of such rights, for compliance with Laws or Environmental Laws.

(d) Landlord may do any of the foregoing, or undertake any of the inspection or work described in the preceding paragraphs without such action constituting an actual or constructive eviction of Tenant, in whole or in part, or giving rise to an abatement of Rent by reason of loss or interruption of business of the Tenant, or otherwise.

7.03 QUIET ENJOYMENT

Landlord covenants that so long as Tenant is in compliance with the covenants and conditions set forth in this Lease, Tenant shall have the right to quiet enjoyment of the Premises without hindrance or interference from Landlord or those claiming through Landlord, and subject to the rights of any Mortgagee or ground lessor.

**ARTICLE EIGHT
MAINTENANCE**

8.01 LANDLORD'S MAINTENANCE

Subject to the provisions of Article Fourteen, Landlord shall maintain and make necessary repairs to the foundations, roofs, exterior walls, and the structural elements of the Building, the electrical, plumbing, heating, ventilating, and air-conditioning, mechanical, communication, security and the fire and life safety systems of the Building and those corridors, washrooms and lobbies which are Common Areas of the Building, except that: (a) Landlord shall not be responsible for the maintenance or repair of any floor or wall coverings in the Premises or any of such systems which are located within the Premises and are supplemental or special to the Building's standard systems; and (b) the cost of performing any of said maintenance or repairs whether to the Premises or to the Building caused by the negligence (except to the extent such cost is required hereunder to be covered by insurance maintained by Landlord and is actually repaid by such insurance) or willful misconduct of Tenant or Tenant's employees, agents, servants, licensees, subtenants, or contractors, shall be paid by Tenant, subject to the waivers set forth in Section 16.04. Landlord shall not be liable to Tenant for any expense, injury, loss or damage resulting from work done in or upon, or in connection with the use of, any adjacent or nearby building, land, street or alley.

8.02 TENANT'S MAINTENANCE

Subject to the provisions of Article Fourteen, Tenant, at its expense, shall keep and maintain the Premises and all Tenant Additions in good order, condition and repair and in accordance with all Laws and Environmental Laws. Tenant shall not permit waste and shall promptly and adequately repair all damages to the Premises and replace or repair all damaged or broken glass in the interior of the Premises, fixtures or appurtenances. Any repairs or maintenance shall be completed with materials of similar quality to the original materials, all such work to be completed under the supervision of Landlord. Any such repairs or maintenance shall be performed only by contractors or mechanics approved by Landlord, which approval shall not be unreasonably withheld, and whose work will not cause or threaten to cause disharmony or interference with Landlord or other tenants in the Building and their respective agents and contractors performing work in or about the Building. If Tenant fails to perform any of its obligations set forth in this Section 8.02, Landlord may, in its sole discretion and upon 24 hours prior notice to Tenant (except without notice in the case of emergencies), perform the same, and Tenant shall pay to Landlord any costs or expenses incurred by Landlord upon demand.

**ARTICLE NINE
ALTERATIONS AND IMPROVEMENTS**

9.01 TENANT'S ALTERATIONS

(a) Except for completion of Tenant Work undertaken by Tenant pursuant to the Workletter, the following provisions shall apply to the completion of any Tenant Alterations:

(1) Tenant shall not, except as provided herein, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, make or cause to be made any Tenant Alterations in or to the Premises or any Property systems serving the Premises. Prior to making any Tenant Alterations, Tenant shall give Landlord ten (10) days prior written notice (or such earlier notice as would be necessary pursuant to applicable Law) to permit Landlord sufficient time to post appropriate notices of non-responsibility. Subject to all other requirements of this Article Nine, Tenant may undertake Decoration work without Landlord's prior written consent. Tenant shall furnish Landlord with the names and addresses of all contractors and subcontractors and copies of all contracts. All Tenant Alterations shall be completed at such time and in such manner as Landlord may from time to time designate, and only by contractors or mechanics approved by Landlord, which approval shall not be unreasonably withheld, and whose work will not cause or threaten to cause disharmony or interference with Landlord or other tenants in the Building and their respective agents and contractors performing work in or about the Building. Landlord may further condition its consent upon Tenant furnishing to Landlord and Landlord approving prior to the commencement of any work or delivery of materials to the Premises related to the Tenant Alterations such of the following as specified by Landlord: architectural plans and specifications, opinions from engineers reasonably acceptable to Landlord stating that the Tenant Alterations will not in any way adversely affect the Building's systems, including, without limitation, the mechanical, heating, plumbing, security, ventilating, air-conditioning, electrical, and the fire and life safety systems in the Building, necessary permits and licenses, certificates of insurance, and such other documents in such form reasonably requested by Landlord. Landlord may, in the exercise of reasonable judgment, request that Tenant provide Landlord with appropriate evidence of Tenant's ability to complete and pay for the completion of the Tenant Alterations such as a performance bond or letter of credit. Upon completion of the Tenant Alterations, Tenant shall deliver to Landlord an as-built mylar and digitized (if available) set of plans and specifications for the Tenant Alterations.

(2) Tenant shall pay the cost of all Tenant Alterations and the cost of decorating the Premises and any work to the Property occasioned thereby. In connection with completion of any Tenant Alterations, Tenant shall pay Landlord a construction fee equal to five percent (5%) of the cost of construction to the extent that such cost shall equal or exceed a cumulative total of Fifty Thousand Dollars (\$50,000.00) or more, and Tenant shall pay Landlord a construction fee equal to one percent (1%) of the cost of construction to the extent that the cost of such construction is less than Fifty Thousand Dollars (\$50,000.00). Upon completion of Tenant Alterations, Tenant shall furnish Landlord with contractors' affidavits and full and final waivers of lien and receipted bills covering all labor and materials expended and used in connection therewith and such other documentation reasonably requested by Landlord or Mortgagee.

(3) Tenant agrees to complete all Tenant Alterations (i) in accordance with all Laws, Environmental Laws, all requirements of applicable insurance companies and in accordance with Landlord's standard construction rules and regulations, and (ii) in a good and workmanlike manner with the use of good grades of materials. Tenant shall notify

Landlord immediately if Tenant receives any notice of violation of any Law in connection with completion of any Tenant Alterations and shall immediately take such steps as are necessary to remedy such violation. In no event shall such supervision or right to supervise by Landlord nor shall any approvals given by Landlord under this Lease constitute any warranty by Landlord to Tenant of the adequacy of the design, workmanship or quality of such work or materials for Tenant's intended use or of compliance with the requirements of Section 9.01(a)(3)(i) and (ii) above or impose any liability upon Landlord in connection with the performance of such work.

(b) All Tenant Additions whether installed by Landlord or Tenant, shall without compensation or credit to Tenant, become part of the Premises and the property of Landlord at the time of their installation and shall remain in the Premises, unless pursuant to Article Twelve, Tenant may remove them or is required to remove them at Landlord's request.

9.02 LIENS

Tenant shall not permit any lien or claim for lien of any mechanic, laborer or supplier or any other lien to be filed against the Building, the Land, the Premises, or any other part of the Property arising out of work performed, or alleged to have been performed by, or at the direction of, or on behalf of Tenant. If any such lien or claim for lien is filed, Tenant shall within ten (10) days of receiving notice of such lien or claim (a) have such lien or claim for lien released of record or (b) deliver to Landlord a bond in form, content, amount, and issued by surety, satisfactory to Landlord, or other security reasonably satisfactory to Landlord indemnifying, protecting, defending and holding harmless the Indemnitees against all costs and liabilities resulting from such lien or claim for lien and the foreclosure or attempted foreclosure thereof. If Tenant fails to take any of the above actions, Landlord, in addition to its rights and remedies under Article Eleven, without investigating the validity of such lien or claim for lien, may pay or discharge the same and Tenant shall, as payment of additional Rent hereunder, reimburse Landlord upon demand for the amount so paid by Landlord, including Landlord's expenses and attorneys' fees.

ARTICLE TEN ASSIGNMENT AND SUBLETTING

10.01 ASSIGNMENT AND SUBLETTING

(a) Without the prior written consent of Landlord, Tenant may not sublease, assign, mortgage, pledge, hypothecate or otherwise transfer or permit the transfer of this Lease or the encumbering of Tenant's interest therein in whole or in part, by operation of law or otherwise or permit the use or occupancy of the Premises, or any part thereof, by anyone other than Tenant. If Tenant desires to enter into any sublease of the Premises or assignment of this Lease, Tenant shall deliver written notice thereof to Landlord ("Tenant's Notice"), together with the identity of the proposed subtenant or assignee and the proposed principal terms thereof and financial and other information sufficient for Landlord to make an informed judgment with respect to such proposed subtenant or assignee at least thirty (30) days prior to the commencement date of the term of the proposed sublease or assignment. If Tenant proposes to sublease less than all of the Rentable Area of the Premises, the space proposed to be sublet and the space retained by Tenant

must each be a marketable unit as reasonably determined by Landlord and otherwise in compliance with all Laws. Landlord shall notify Tenant in writing of its approval or disapproval of the proposed sublease or assignment or its decision to exercise its rights under Section 10.02 within thirty (30) days after receipt of Tenant's Notice (and all required information). In no event may Tenant sublease any portion of the Premises or assign the Lease to any other tenant of the Building. Tenant shall submit for Landlord's approval (which approval shall not be unreasonably withheld) any advertising which Tenant or its agents intend to use with respect to the space proposed to be sublet.

(b) With respect to Landlord's consent to an assignment or sublease, Landlord may take into consideration any factors which Landlord may deem relevant, and the reasons for which Landlord's denial shall be deemed to be reasonable shall include, without limitation, the following:

(i) the business reputation or creditworthiness of any proposed assignee is not acceptable to Landlord; or

(ii) in Landlord's reasonable judgment the proposed assignee or sublessee would diminish the value or reputation of the Building or Landlord; or

(iii) any proposed assignee's or sublessee's use of the Premises would violate Section 7.01 of the Lease or would violate the provisions of any other leases of tenants in the Building;

(iv) the proposed assignee or sublessee is either a governmental agency, a school or similar operation, or a medical related practice; or

(v) the proposed sublessee or assignee is a bona fide prospective tenant of Landlord in the Building as demonstrated by a written proposal dated within ninety (90) days prior to the date of Tenant's request; or

(vi) the proposed sublessee or assignee would materially increase the estimated pedestrian and vehicular traffic to and from the Premises and the Building.

In no event shall Landlord be obligated to consider a consent to any proposed (i) sublease of the Premises or assignment of the Lease if a Default then exists under the Lease, or a fact or condition exists, which but for the giving of notice or the passage of time would constitute a Default, or (ii) assignment of the Lease which would assign less than the entire Premises. In the event Landlord wrongfully withholds its consent to any proposed sublease of the Premises or assignment of the Lease, Tenant's sole and exclusive remedy therefor shall be to seek specific performance of Landlord's obligations to consent to such sublease or assignment.

(c) If Landlord chooses not to recapture the space proposed to be subleased or assigned as provided in Section 10.02, Landlord shall not unreasonably withhold its consent to a subletting or assignment under this Section 10.01. Any approved sublease or assignment shall be expressly subject to the terms and conditions of this Lease. Any such subtenant or assignee shall execute such documents as Landlord may reasonably require to evidence such subtenant or

assignee's assumption of such obligations and liabilities. Tenant shall deliver to Landlord a copy of all agreements executed by Tenant and the proposed subtenant and assignee with respect to the Premises. Landlord's approval of a sublease or assignment shall not constitute a waiver of Tenant's obligation to obtain Landlord's consent to further assignments or subleases.

(d) For purposes of this Article Ten, an assignment shall be deemed to include a change in the majority control of Tenant, resulting from any transfer, sale or assignment of shares of stock of Tenant occurring by operation of law or otherwise if Tenant is a corporation whose shares of stock are not traded publicly. If Tenant is a partnership, any change in the partners of Tenant shall be deemed to be an assignment.

(e) Notwithstanding anything to the contrary contained in this Article Ten, Tenant shall have the right, without the prior written consent of Landlord and not subject to recapture, to sublease or assign the Premises to (i) an Affiliate, or (ii) an entity into or with which Tenant is merged or consolidated in accordance with all applicable laws governing such mergers and consolidations, or an entity which acquires all or substantially of the assets of Tenant's business as an ongoing concern (including all liabilities of Tenant, and particularly including the liabilities of Tenant hereunder), so long as (in any such case of a Permitted Transfer) any such Affiliate and/or entity into or with which Tenant is so merged or consolidated or which acquires Tenant's assets continues to use the Premises in accordance with the terms and conditions of this Lease and further so long as such Affiliate and/or entity has a tangible net worth after such merger, consolidation or acquisition which is not less than the greater of Tenant's tangible net worth as of the date immediately preceding the date of such acquisition, merger or consolidation or Tenant's tangible net worth as of the date immediately preceding the effective date of this Lease; provided, that in any event (x) no later than the effective date of any such sublease or assignment to an Affiliate or pursuant to any such acquisition, merger or consolidation (any of such transfers described in subparts i and ii above being herein referred to, individually or collectively, as a "Permitted Transfer"), the assignee or sublessee thereunder shall execute documents in form and content reasonably satisfactory to Landlord to evidence such subtenant's or assignee's assumption of the obligations and liabilities of Tenant under this Lease, except in the case of any assignment which occurs by operation of law (and without a written assignment) as a consequence of merger, consolidation or non-bankruptcy reorganization, (y) within ten (10) days after the effective date of the Permitted Transfer, Tenant gives notice thereof to Landlord, which notice shall include the full name and address of the assignee or subtenant thereunder, and a copy of all agreements executed between Tenant and such assignee or subtenant with respect to the Premises and, if applicable, documents and information reasonably satisfactory in form and substance to Landlord to substantiate the tangible net worth of any party acquiring by acquisition, merger or consolidation, and (z) within thirty (30) days after Landlord's request therefor, Tenant provides Landlord with such other documents or information which Landlord reasonably requests for the purpose of substantiating whether or not the assignment or sublease complies with this Section 10.01(e). It is agreed that, for purposes hereof, the term "tangible net worth" shall mean the excess of total assets over total liabilities, in each case determined in accordance with generally accepted accounting principles, consistently applied, excluding from the determination of total assets all assets which can be classified as intangible assets under generally accepted accounting principles (including, without limitation, goodwill, licenses, patents, trademarks, trade names, copyrights and franchises).

10.02 RECAPTURE

Except as provided in Section 10.01(e) Landlord shall have the option to exclude from the Premises covered by this Lease ("recapture"), the space proposed to be sublet or subject to the assignment, effective as of the proposed commencement date of such sublease or assignment. If Landlord elects to recapture, Tenant shall surrender possession of the space proposed to be subleased or subject to the assignment to Landlord on the effective date of recapture of such space from the Premises such date being the Termination Date for such space. Effective as of the date of recapture of any portion of the Premises pursuant to this section, the Monthly Base Rent, Rentable Area of the Premises and Tenant's Share shall be adjusted accordingly.

10.03 EXCESS RENT

Tenant shall pay Landlord on the first day of each month during the term of the sublease or assignment, fifty percent (50%) of the amount by which the sum of all rent and other consideration (direct or indirect) due from the subtenant or assignee for such month exceeds: (i) that portion of the Monthly Base Rent and Rent Adjustments due under this Lease for said month which is allocable to the space sublet or assigned; and (ii) the following costs and expenses for the subletting or assignment of such space: (1) brokerage commissions and attorneys' fees and expenses, (2) advertising for subtenants or assignees; (3) the actual costs paid in making any improvements or substitutions in the Premises required by any sublease or assignment; and (4) "free rent" periods, costs of any inducements or concessions given to subtenant or assignee, moving costs, and other amounts in respect of such subtenant's or assignee's other leases or occupancy arrangements. All such costs will be amortized over the term of the sublease or assignment pursuant to sound accounting principles.

10.04 TENANT LIABILITY

In the event of any sublease or assignment, whether or not with Landlord's consent, Tenant shall not be released or discharged from any liability, whether past, present or future, under this Lease, including any liability arising from the exercise of any renewal or expansion option, to the extent expressly permitted by Landlord. Tenant's liability shall remain primary, and in the event of default by any subtenant, assignee or successor of Tenant in performance or observance of any of the covenants or conditions of this Lease, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against said subtenant, assignee or successor. If Landlord grants consent to such sublease or assignment, Tenant shall pay all reasonable attorneys' fees and expenses incurred by Landlord with respect to such assignment or sublease; provided, however, that such fees and expenses shall not exceed the amount of One Thousand and No/100 Dollars (\$1,000.00) unless Landlord has first notified Tenant in writing that particular circumstances or requests in connection with the subject proposed assignment or sublease are reasonably anticipated to result in fees and expenses in excess of the aforesaid limitation, which notice shall include an estimate by Landlord of the amount by which the fees and expenses are estimated to exceed such limitation, and Tenant shall in such event have the option to withdraw the request for Landlord's consent to such assignment or sublease (by written notice delivered to Landlord within five (5) business days following Tenant's receipt of such notice from Landlord [failing which Tenant shall be deemed to have agreed to pay the estimated amount of such excess fees

and expenses]). In addition, if Tenant has any options to extend the term of this Lease or to add other space to the Premises, such options shall not be available to any subtenant or assignee (other than an assignee who has received assignment of all of Tenant's rights, title and interests in and under this Lease and in and to the Premises pursuant to an assignment made and permitted in accordance with this Lease), directly or indirectly, without Landlord's express written consent, which may be withheld in Landlord's sole discretion.

10.05 ASSUMPTION AND ATTORNMENT

If Tenant shall assign this Lease as permitted herein, the assignee shall expressly assume all of the obligations of Tenant hereunder in a written instrument satisfactory to Landlord and furnished to Landlord not later than fifteen (15) days prior to the effective date of the assignment, except as may otherwise be provided in this Article Ten. If Tenant shall sublease the Premises as permitted herein, Tenant shall, at Landlord's option, within fifteen (15) days following any request by Landlord, obtain and furnish to Landlord the written agreement of such subtenant to the effect that the subtenant will attorn to Landlord and will pay all subrent directly to Landlord.

ARTICLE ELEVEN DEFAULT AND REMEDIES

11.01 EVENTS OF DEFAULT

The occurrence or existence of any one or more of the following shall constitute a "Default" by Tenant under this Lease:

(i) Tenant fails to pay any installment or other payment of Rent including Rent Adjustment Deposits or Rent Adjustments within three (3) days after the date when due (provided, however, Tenant shall be entitled to written notice and a grace period of three (3) business days on the first occasion during any twelve month period not to exceed five (5) occasions during the Term);

(ii) Tenant fails to observe or perform any of the other covenants, conditions or provisions of this Lease or the Workletter and fails to cure such default within thirty (30) days after written notice thereof to Tenant (unless the default involves a hazardous condition, which shall be cured forthwith, or unless the failure to perform is a Default for which this Lease specifies there is no cure or grace period);

(iii) the interest of Tenant in this Lease is levied upon under execution or other legal process;

(iv) a petition is filed by or against Tenant to declare Tenant bankrupt or seeking a plan of reorganization or arrangement under any Chapter of the Bankruptcy Act, or any amendment, replacement or substitution therefor, or to delay payment of, reduce or modify Tenant's debts, which in the case of an involuntary action is not discharged within sixty (60) days;

(v) Tenant is declared insolvent by law or any assignment of Tenant's property is made for the benefit of creditors;

(vi) a receiver is appointed for Tenant or Tenant's property, which appointment is not discharged within forty-five (45) days;

(vii) any action taken by or against Tenant to reorganize or modify Tenant's capital structure in a materially adverse way which in the case of an involuntary action is not discharged within forty-five (45) days;

(viii) upon the dissolution of Tenant; or

(ix) upon the third occurrence within any Lease Year that Tenant fails to pay Rent when due or has breached a particular covenant of this Lease (whether or not such failure or breach is thereafter cured within any stated cure or grace period or statutory period).

11.02 LANDLORD'S REMEDIES

(a) If a Default occurs, Landlord shall have the rights and remedies hereinafter set forth, which shall be distinct and cumulative: (i) Landlord may terminate this Lease by giving Tenant notice of Landlord's election to do so, in which event, the term of this Lease shall end and all of Tenant's rights and interests shall expire on the date stated in such notice; (ii) Landlord may terminate Tenant's right of possession of the Premises without terminating this Lease by giving notice to Tenant that Tenant's right of possession shall end on the date specified in such notice; or (iii) Landlord may enforce the provisions of this Lease and may enforce and protect the rights of the Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all monies due or to become due from Tenant under any of the provisions of this Lease. All Landlord remedies shall be cumulative and not exclusive.

(b) In the event that Landlord terminates the Lease, Landlord shall be entitled to recover (i) the sum of all Rents and other indebtedness accrued to the date of such termination, plus (ii) the cost of recovering the Premises, (iii) the cost of reletting the Premises, or portions thereof (including, without limitation, brokerage commissions) and (iv) the cost of repairs, alterations, improvements, additions, and decorations to the Premises to the extent Landlord deems reasonably necessary or desirable. [Items (ii) through (iv) are herein defined as the "Recovery Costs"]. In addition, in the event that Tenant's Default constitutes a material breach, Landlord shall be entitled to recover a sum equal to the difference between (x) the total Base Rent due under this Lease for the remainder of the Term and (y) the then fair market rental value of the Premises during such period, discounted to present value at a rate determined by Landlord, in its sole discretion ("Discounted Future Rent").

(c) In the event Landlord proceeds pursuant to subparagraph (a)(ii) above, Landlord shall be entitled to recover (i) the sum of all Rents and other indebtedness accrued to the date of such termination of Tenant's possession, plus (ii) the Recovery Costs (as defined above).

Landlord may, but shall not be obligated to (except as may be required by law), relet the Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are reasonably acceptable to Landlord. For purposes of such reletting, Landlord is authorized to decorate, repair, alter and improve the Premises to the extent reasonably necessary or desirable. If the Premises are relet and the consideration realized therefrom after payment of all Landlord's Reletting Expenses, is insufficient to satisfy the payment when due of Rent reserved under this Lease for any monthly period, then Tenant shall pay Landlord upon demand any such deficiency monthly ("Rental Deficiency"). If such consideration is greater than the amount necessary to pay the full amount of the Rent, the full amount of such excess shall be retained by Landlord and shall in no event be payable to Tenant. Tenant agrees that Landlord may file suit to recover any sums due to Landlord hereunder from time to time and that such suit or recovery of any amount due Landlord hereunder shall not be any defense to any subsequent action brought for any amount not therefore reduced to judgment in favor of Landlord. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous Default. In the alternative (but only in the event that Tenant's Default constitutes a material breach), Landlord may elect to terminate Tenant's right to occupy the Premises and to immediately recover as damages, in lieu of the Rental Deficiency, a sum equal to the Discounted Future Rent (as defined above).

(d) In the event a Default occurs, Landlord may, at Landlord's option, enter into the Premises, remove Tenant's property, fixtures, furnishings, signs and other evidences of tenancy, and take and hold such property; provided, however, that such entry and possession shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the Rent reserved hereunder for the full Term or from any other obligation of Tenant under this Lease. Any and all property which may be removed from the Premises by Landlord pursuant to the authority of the Lease or law, to which Tenant is or may be entitled, may be handled, removed or stored by Landlord at the risk, cost and expense of Tenant, and Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. Tenant shall pay Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in the Landlord's possession or under the Landlord's control. Any such property of Tenant not retaken from storage by Tenant within thirty (30) days after the Termination Date shall be conclusively presumed to have been conveyed by Tenant to Landlord under this Lease as a bill of sale without further payment or credit by Landlord to Tenant.

11.03 ATTORNEY'S FEES

Tenant shall pay upon demand, all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in enforcing the Tenant's performance of its obligations under this Lease, or resulting from Tenant's Default, or incurred by Landlord in any litigation, negotiation or transaction in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned.

11.04 BANKRUPTCY

The following provisions shall apply in the event of the bankruptcy or insolvency of Tenant:

(a) In connection with any proceeding under Chapter 7 of the Bankruptcy Code where the trustee of Tenant elects to assume this Lease for the purposes of assigning it, such election or assignment, may only be made upon compliance with the provisions of (b) and (c) below, which conditions Landlord and Tenant acknowledge to be commercially reasonable. In the event the trustee elects to reject this Lease then Landlord shall immediately be entitled to possession of the Premises without further obligation to Tenant or the trustee.

(b) Any election to assume this Lease under Chapter 11 or 13 of the Bankruptcy Code by Tenant as debtor-in-possession or by Tenant's trustee (the "Electing Party") must provide for:

The Electing Party to cure or provide to Landlord adequate assurance that it will cure all monetary defaults under this Lease within fifteen (15) days from the date of assumption and it will cure all nonmonetary defaults under this Lease within thirty (30) days from the date of assumption. Landlord and Tenant acknowledge such condition to be commercially reasonable.

(c) If the Electing Party has assumed this Lease or elects to assign Tenant's interest under this Lease to any other person, such interest may be assigned only if the intended assignee has provided adequate assurance of future performance (as herein defined), of all of the obligations imposed on Tenant under this Lease.

For the purposes hereof, "adequate assurance of future performance" means that Landlord has ascertained that each of the following conditions has been satisfied:

(i) The assignee has submitted a current financial statement, certified by its chief financial officer, which shows a net worth and working capital in amounts sufficient to assure the future performance by the assignee of Tenant's obligations under this Lease; and

(ii) Landlord has obtained consents or waivers from any third parties which may be required under a lease, mortgage, financing arrangement, or other agreement by which Landlord is bound, to enable Landlord to permit such assignment.

(d) Landlord's acceptance of rent or any other payment from any trustee, receiver, assignee, person, or other entity will not be deemed to have waived, or waive, the requirement of Landlord's consent, Landlord's right to terminate this Lease for any transfer of Tenant's interest under this Lease without such consent, or Landlord's claim for any amount of Rent due from Tenant.

11.05 LANDLORD'S DEFAULT

Landlord shall be in default hereunder in the event Landlord has not begun and pursued with reasonable diligence the cure of any failure of Landlord to meet its obligations hereunder within thirty (30) days of the receipt by Landlord of written notice from Tenant of the alleged failure to

perform. In no event shall Tenant have the right to terminate or rescind this Lease as a result of Landlord's default as to any covenant or agreement contained in this Lease. Tenant hereby waives such remedies of termination and rescission and hereby agrees that Tenant's remedies for default hereunder and for breach of any promise or inducement shall be limited to a suit for damages and/or injunction. In addition, Tenant hereby covenants that, prior to the exercise of any such remedies, it will give the mortgagees holding mortgages on the Building notice and a reasonable time to cure any default by Landlord.

ARTICLE TWELVE SURRENDER OF PREMISES

12.01 IN GENERAL

Upon the Termination Date, Tenant shall surrender and vacate the Premises immediately and deliver possession thereof to Landlord in a clean, good and tenantable condition, ordinary wear and tear, and damage caused by Landlord excepted. Tenant shall deliver to Landlord all keys to the Premises. Tenant shall remove from the Premises all movable personal property of Tenant and Tenant's trade fixtures, including, subject to Section 6.04, cabling for any of the foregoing. Tenant shall be entitled to remove such Tenant Additions which at the time of their installation Landlord and Tenant agreed may be removed by Tenant. Tenant shall also remove such other Tenant Alterations containing Hazardous Materials and any Tenant Alterations which Landlord advised Tenant it would require to be removed at the time Tenant requested Landlord's consent to the installation of such Tenant Alterations. Notwithstanding anything to the contrary contained herein, Tenant shall not be obligated to remove any of the Tenant Work to the Premises performed pursuant to the Workletter, except any such Tenant Work containing Hazardous Materials. Tenant immediately shall repair all damage resulting from removal of any of Tenant's property, furnishings or Tenant Additions, shall close all floor, ceiling and roof openings and shall restore the Premises to a tenantable condition as reasonably determined by Landlord. If any of the Tenant Additions which were installed by Tenant involved the lowering of ceilings, raising of floors or the installation of specialized wall or floor coverings or lights, then Tenant shall also be obligated to return such surfaces to their condition prior to the commencement of this Lease. Tenant shall also be required to close any staircases or other openings between floors. In the event possession of the Premises is not delivered to Landlord when required hereunder, or if Tenant shall fail to remove those items described above, Landlord may, (but shall not be obligated to), at Tenant's expense, remove any of such property and store, sell or otherwise deal with such property as provided in Section 11.02(d), including the waiver and indemnity obligations provided in that Section, and undertake, at Tenant's expense, such restoration work as Landlord deems necessary or advisable.

12.02 LANDLORD'S RIGHTS

All property which may be removed from the Premises by Landlord shall be conclusively presumed to have been abandoned by Tenant and Landlord may deal with such property as provided in Section 11.02(d). Tenant shall also reimburse Landlord for all costs and expenses incurred by Landlord in removing any of Tenant Additions and in restoring the Premises to the condition required by this Lease at the Termination Date.

**ARTICLE THIRTEEN
HOLDING OVER**

Tenant shall pay Landlord 150% of the monthly Rent payable for the month immediately preceding the holding over (including increases for Rent Adjustments which Landlord may reasonably estimate) for each month or portion thereof that Tenant retains possession of the Premises, or any portion thereof, after the Termination Date (without reduction for any partial month that Tenant retains possession). Tenant shall also pay all damages sustained by Landlord by reason of such retention of possession. The provisions of this Article shall not constitute a waiver by Landlord of any re-entry rights of Landlord and Tenant's continued occupancy of the Premises shall be as a tenancy in sufferance.

**ARTICLE FOURTEEN
DAMAGE BY FIRE OR OTHER CASUALTY**

14.01 SUBSTANTIAL UNFITNESS

(a) If any fire or other casualty (whether insured or uninsured) renders all or a substantial portion of the Premises or the Building unfit, Landlord shall, with reasonable promptness after the occurrence of such damage, but in any event within sixty (60) days after the date of such casualty, estimate the length of time that will be required to Substantially Complete the repair and restoration and shall by notice advise Tenant of such estimate ("Landlord's Notice"). If Landlord estimates that the amount of time required to Substantially Complete such repair and restoration will exceed one hundred eighty (180) days from the date such damage occurred, then Landlord, or Tenant if all or a substantial portion of the Premises is rendered unfit by virtue of the occurrence of such damage, shall have the right to terminate this Lease as of the date of such damage upon giving written notice to the other at any time within twenty (20) days after delivery of Landlord's Notice, provided that if Landlord so chooses, Landlord's Notice may also constitute such notice of termination.

(b) Unless this Lease is terminated as provided in the preceding subparagraph, Landlord shall proceed with reasonable promptness to repair and restore the Premises to its condition as existed prior to such casualty, subject to reasonable delays for insurance adjustments and Force Majeure delays, and also subject to zoning laws and building codes then in effect. Landlord shall have no liability to Tenant, and Tenant shall not be entitled to terminate this Lease if such repairs and restoration are not in fact completed within the time period estimated by Landlord so long as Landlord shall proceed with reasonable diligence to complete such repairs and restoration. Notwithstanding the foregoing provisions of this Section 14.01, if the repair and restoration of the Premises is not Substantially Complete within two hundred seventy (270) days following the date of occurrence of such casualty (which 270-day period shall be subject to extension, however, on a day-for-day basis, for each day beyond such 270-day period that the repair and restoration of the Premises is not Substantially Complete by virtue of the occurrence of events of Force Majeure or insurance adjustment delays beyond the reasonable control of Landlord) (such 270-day period, as same may be extended, being herein sometimes called the "Restoration Deadline"), then Tenant shall have the right to terminate this Lease effective as of the Restoration Deadline upon giving thirty (30) days' written notice to Landlord

at any time within sixty (60) days after the Restoration Deadline, unless the repair and restoration of the Premises becomes Substantially Complete during such 30-day period, in which event any notice of termination pursuant to this Section 14.01(b) shall be thereupon deemed automatically null and void and of no further force or effect. Failure of Tenant to deliver written notice of its termination of this Lease to Landlord within the aforesaid 60-day period following the Restoration Deadline shall be deemed a waiver of Tenant's right to terminate the Lease under this Section 14.01(b).

(c) Tenant acknowledges that Landlord shall be entitled to the full proceeds of any insurance coverage, carried by Landlord, for damages to the Premises, except for those proceeds of Tenant's insurance of its own personal property and equipment which would be removable by Tenant at the Termination Date; provided, that to the extent that Landlord is requested by Tenant to repair or restore any alterations or improvements to the Premises, Landlord shall additionally be entitled to the proceeds of any insurance coverage carried by Tenant with respect thereto; provided, further, that if Landlord is not requested by Tenant to repair or restore any such alterations or improvements to the Premises, then Tenant shall be solely responsible for restoring or repairing (at Tenant's sole cost and expense) any such alterations or improvements. All insurance proceeds payable to Landlord pursuant hereto shall be payable to Landlord whether or not the Premises are to be repaired and restored.

(d) Notwithstanding anything to the contrary herein set forth: (i) Landlord shall have no duty pursuant to this Section to repair or restore any portion of any Tenant Additions or to expend for any repair or restoration of the Premises or Building amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration; and (ii) Tenant shall not have the right to terminate this Lease pursuant to this Section if any damage or destruction was caused by the act or neglect of Tenant, its agent or employees.

(e) Any repair or restoration of the Premises performed by Tenant shall be in accordance with the provisions of Article Nine hereof.

14.02 INSUBSTANTIAL UNTENANTABILITY

If the Premises or the Building is damaged by a casualty but neither is rendered substantially untenable and Landlord estimates that the time to Substantially Complete the repair or restoration will not exceed one hundred eighty (180) days from the date such damage occurred, then Landlord shall proceed to repair and restore the Building or the Premises other than Tenant Additions, with reasonable promptness, unless such damage is to the Premises and occurs during the last six (6) months of the Term, in which event either Tenant or Landlord shall have the right to terminate this Lease as of the date of such casualty by giving written notice thereof to the other within twenty (20) days after the date of such casualty. Notwithstanding the aforesaid, Landlord's obligation to repair shall be limited in accordance with the provisions of Section 14.01(d)(i) above.

14.03 RENT ABATEMENT

Except if caused by the negligence (except to the extent such negligence is covered by insurance maintained by Landlord and is actually repaid by such insurance) or willful act of Tenant or its

agents, employees or contractors, if all or any part of the Premises are rendered untenable by fire or other casualty and this Lease is not terminated, Monthly Base Rent and Rent Adjustments shall abate for that part of the Premises which is untenable on a per diem basis from the date of the casualty until Landlord has Substantially Completed the repair and restoration work in the Premises which it is required to perform, provided, that as a result of such casualty, Tenant does not occupy the portion of the Premises which is untenable during such period.

**ARTICLE FIFTEEN
EMINENT DOMAIN**

15.01 TAKING OF WHOLE OR SUBSTANTIAL PART

In the event the whole or any substantial part of the Building or of the Premises is taken or condemned by any competent authority for any public use or purpose (including a deed given in lieu of condemnation) and is thereby rendered untenable, this Lease shall terminate as of the date title vests in such authority, and Monthly Base Rent and Rent Adjustments shall be apportioned as of the date of the taking.

15.02 TAKING OF PART

In the event a part of the Building or the Premises is taken or condemned by any competent authority (or a deed is delivered in lieu of condemnation) and this Lease is not terminated, the Lease shall be amended to reduce or increase, as the case may be, the Monthly Base Rent and Tenant's Proportionate Share to reflect the Rentable Area of the Premises or Building, as the case may be, remaining after any such taking or condemnation. Landlord, upon receipt and to the extent of the award in condemnation (or proceeds of sale) shall make necessary repairs and restorations to the Premises (exclusive of Tenant Additions) and to the Building to the extent necessary to constitute the portion of the Building not so taken or condemned as a complete architectural and economically efficient unit. Notwithstanding the foregoing, if as a result of any taking, or a governmental order that the grade of any street or alley adjacent to the Building is to be changed and such taking or change of grade makes it necessary or desirable to substantially remodel or restore the Building or prevents the economical operation of the Building, Landlord shall have the right to terminate this Lease upon ninety (90) days prior written notice to Tenant.

15.03 COMPENSATION

Landlord shall be entitled to receive the entire award (or sale proceeds) from any such taking, condemnation or sale without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award; provided, however, Tenant shall have the right separately to pursue against the condemning authority a separate award in respect of the loss, if any, to Tenant Additions paid for by Tenant and for Tenant's moving expenses, without any credit or allowance from Landlord, so long as there is no diminution of Landlord's award as a result.

ARTICLE SIXTEEN
INSURANCE

16.01 TENANT'S INSURANCE

Tenant, at Tenant's expense, agrees to maintain in force, with a company or companies acceptable to Landlord, during the Term: (a) Commercial General Liability Insurance on a primary basis and without any right of contribution from any insurance carried by Landlord covering the Premises on an occurrence basis against all claims for personal injury, bodily injury, death and property damage, including contractual liability covering the indemnification provisions in this Lease. Such insurance shall be for such limits that are reasonably required by Landlord from time to time but not less than a combined single limit of Three Million and No/100 Dollars (\$3,000,000.00); (b) Workers' Compensation and Employers' Liability Insurance for an amount of not less than One Million and No/100 Dollars (\$1,000,000.00), both in accordance with the laws of the State of Texas; (c) "All Risks" property insurance in an amount adequate to cover the full replacement cost of all equipment, installations, fixtures and contents of the Premises, as well as the replacement cost of any alterations or improvements made by or at the request of Tenant to the Premises (including without limitation any alterations or improvements made pursuant to either Exhibit "B" hereto or Article Nine hereof), in the event of loss and any such policy shall contain a provision requiring the insurance carriers to waive their rights of subrogation against Landlord; (d) In the event a motor vehicle is to be used by Tenant in connection with its business operation from the Premises, Comprehensive Automobile Liability Insurance coverage with limits of not less than Three Million and No/100 Dollars (\$3,000,000.00) combined single limit coverage against bodily injury liability and property damage liability arising out of the use by or on behalf of Tenant, its agents and employees in connection with this Lease, of any owned, non-owned or hired motor vehicles; and (e) such other insurance or coverages as Landlord reasonably requires.

16.02 FORM OF POLICIES

Each policy referred to in 16.01 shall satisfy the following requirements. Each policy shall (i) name Landlord and the Indemnitees as additional insureds (except Workers' Compensation and Employers' Liability Insurance), (ii) be issued by one or more responsible insurance companies licensed to do business in the State of Texas reasonably satisfactory to Landlord, (iii) where applicable, provide for deductible amounts satisfactory to Landlord and not permit co-insurance, (iv) shall provide that such insurance may not be canceled or amended without thirty (30) days' prior written notice to the Landlord, and (v) shall provide that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any other party for losses covered by such policies. Tenant shall deliver to Landlord, certificates of insurance and at Landlord's request, copies of all policies and renewals thereof to be maintained by Tenant hereunder, not less than ten (10) days prior to the Commencement Date and not less than ten (10) days prior to the expiration date of each policy.

16.03 LANDLORD'S INSURANCE

Landlord agrees to purchase and keep in full force and effect during the Term hereof, including any extensions or renewals thereof, insurance under policies issued by insurers of recognized

responsibility, qualified to do business in the State of Texas on the Building in amounts not less than the greater of eighty (80%) percent of the then full replacement cost (without depreciation) of the Building (above foundations) or an amount sufficient to prevent Landlord from becoming a co-insurer under the terms of the applicable policies, against fire and such other risks as may be included in standard forms of all risk coverage insurance reasonably available from time to time. Landlord agrees to maintain in force during the Term, Commercial General Liability Insurance covering the Building on an occurrence basis against all claims for personal injury, bodily injury, death and property damage. Such insurance shall be for a combined single limit of Three Million and No/100 Dollars (\$3,000,000.00). Neither Landlord's obligation to carry such insurance nor the carrying of such insurance shall be deemed to be an indemnity by Landlord with respect to any claim, liability, loss, cost or expense due, in whole or in part, to Tenant's negligent acts or omissions or willful misconduct.

16.04 WAIVER OF SUBROGATION

(a) Landlord agrees that, so long as the same is permitted under the laws of the State of Texas, it will include in its "All Risks" policies appropriate clauses pursuant to which the insurance companies (i) waive all right of subrogation against Tenant with respect to losses payable under such policies and/or (ii) agree that such policies shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for losses covered by such policies.

(b) Tenant agrees to include, so long as the same is permitted under the laws of the State of Texas, in its "All Risks" insurance policy or policies on its furniture, furnishings, fixtures and other property removable by Tenant under the provisions of this Lease appropriate clauses pursuant to which the insurance company or companies (i) waive the right of subrogation against Landlord and/or any tenant of space in the Building with respect to losses payable under such policy or policies and/or (ii) agree that such policy or policies shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for losses covered by such policy or policies. If Tenant is unable to obtain in such policy or policies either of the clauses described in the preceding sentence, Tenant shall, if legally possible and without necessitating a change in insurance carriers, have Landlord named in such policy or policies as an additional insured. If Landlord shall be named as an additional insured in accordance with the foregoing, Landlord agrees to endorse promptly to the order of Tenant, without recourse, any check, draft, or order for the payment of money representing the proceeds of any such policy or representing any other payment growing out of or connected with said policies, and Landlord does hereby irrevocably waive any and all rights in and to such proceeds and payments.

(c) Provided that Landlord's right of full recovery under its policy or policies aforesaid is not adversely affected or prejudiced thereby, Landlord hereby waives any and all right of recovery which it might otherwise have against Tenant, its servants, agents and employees, for loss or damage occurring to the Building and the fixtures, appurtenances and equipment therein, to the extent the same is covered by Landlord's insurance, **NOTWITHSTANDING THAT SUCH LOSS OR DAMAGE MAY RESULT FROM THE NEGLIGENCE OR FAULT OF TENANT, ITS SERVANTS, AGENTS OR**

EMPLOYEES. Provided that Tenant's right of full recovery under its aforesaid policy or policies is not adversely affected or prejudiced thereby, Tenant hereby waives any and all right of recovery which it might otherwise have against Landlord, its servants, and employees and against every other tenant in the Building who shall have executed a similar waiver as set forth in this Section 16.04(c) for loss or damage to Tenant's furniture, furnishings, fixtures and other property removable by Tenant under the provisions hereof to the extent that same is covered or coverable by Tenant's insurance required under this Lease, **NOTWITHSTANDING THAT SUCH LOSS OR DAMAGE MAY RESULT FROM THE NEGLIGENCE OR FAULT OF LANDLORD, ITS SERVANTS, AGENTS OR EMPLOYEES, OR SUCH OTHER TENANT AND THE SERVANTS, AGENTS OR EMPLOYEES THEREOF.**

(d) Landlord and Tenant hereby agree to advise the other promptly if the clauses to be included in their respective insurance policies pursuant to subparagraphs (a) and (b) above cannot be obtained on the terms hereinbefore provided and thereafter to furnish the other with a certificate of insurance or copy of such policies showing the naming of the other as an additional insured, as aforesaid. Landlord and Tenant hereby also agree to notify the other promptly of any cancellation or change of the terms of any such policy which would affect such clauses or naming. All such policies which name both Landlord and Tenant as additional insureds shall, to the extent obtainable, contain agreements by the insurers to the effect that no act or omission of any additional insured will invalidate the policy as to the other additional insureds.

16.05 NOTICE OF CASUALTY

Tenant shall give Landlord notice in case of a fire or accident in the Premises promptly after Tenant is aware of such event.

ARTICLE SEVENTEEN WAIVER OF CLAIMS AND INDEMNITY

17.01 WAIVER OF CLAIMS

To the extent permitted by Law, Tenant releases the Indemnitees from, and waives all claims for, damage to person or property sustained by the Tenant or any occupant of the Premises or the Property resulting directly or indirectly from any existing or future condition, defect, matter or thing in and about the Premises or the Property or any part of either or any equipment or appurtenance therein, or resulting from any accident in or about the Premises or the Property, or resulting directly or indirectly from any act or neglect of any tenant or occupant of the Property or of any other person, including Landlord's agents and servants, except to the extent caused by the willful and wrongful act of any of the Indemnitees. To the extent permitted by Law, Tenant hereby waives any consequential damages, compensation or claims for inconvenience or loss of business, rents, or profits as a result of such injury or damage, whether or not caused by the willful or wrongful act of any of the Indemnitees. If any such damage, whether to the Premises or the Property or any part of either, or whether to Landlord or to other tenants in the Property, results from any negligence (except to the extent such damage is covered by insurance maintained by Landlord and the cost of repair thereof is actually paid by such insurance) or willful misconduct of Tenant, its employees, servants, agents, contractors, invitees or customers, Tenant shall be liable therefor and Landlord may, at Landlord's option, repair such damage and

Tenant shall, upon demand by Landlord, as payment of additional Rent hereunder, reimburse Landlord within ten (10) days of demand for the total cost of such repairs, in excess of amounts, if any, paid to Landlord under insurance covering such damages. Tenant shall not be liable for any such damage caused by its acts or neglect if Landlord or a tenant has recovered the full amount of the damage from proceeds of insurance policies and the insurance company has waived its right of subrogation against Tenant.

17.02 INDEMNITY BY TENANT

To the extent permitted by law, Tenant agrees to indemnify, protect, defend and hold the Indemnitees harmless against any and all actions, claims, demands, costs and expenses, including reasonable attorney's fees and expenses for the defense thereof, arising from Tenant's occupancy of the Premises, from the undertaking of any Tenant Additions or repairs to the Premises, from the conduct of Tenant's business on the Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or from any willful or negligent act of Tenant, its agents, contractors, servants, employees, customers or invitees, in the Premises or common areas, but only to the extent of Landlord's liability, if any, in excess of amounts, if any, paid to Landlord under insurance covering such claims or liabilities. In case of any action or proceeding brought against the Indemnitees by reason of any such claim, upon notice from Landlord, Tenant covenants to defend such action or proceeding by counsel reasonably satisfactory to Landlord.

ARTICLE EIGHTEEN RULES AND REGULATIONS

18.01 RULES

Tenant agrees for itself and for its subtenants, employees, agents, and invitees to comply with the rules and regulations listed on Exhibit C attached hereto and with all reasonable modifications and additions thereto which Landlord may make from time to time. To the extent of any conflict between such rules and regulations and the terms and conditions of this Lease, the terms and conditions of this Lease shall control.

18.02 ENFORCEMENT

Nothing in this Lease shall be construed to impose upon the Landlord any duty or obligation to enforce the rules and regulations as set forth on Exhibit C or as hereafter adopted, or the terms, covenants or conditions of any other lease as against any other tenant, and the Landlord shall not be liable to the Tenant for violation of the same by any other tenant, its servants, employees, agents, visitors or licensees. Landlord shall use reasonable efforts to enforce the rules and regulations of the Building in a uniform and non-discriminatory manner. Tenant shall pay to Landlord all damages caused by Tenant's failure to comply with the provisions of this Article Eighteen and shall also pay to Landlord as additional Rent an amount equal to any increase in insurance premiums caused by such failure to comply.

**ARTICLE NINETEEN
LANDLORD'S RESERVED RIGHTS**

Landlord shall have the following rights exercisable without notice to Tenant and without liability to Tenant for damage or injury to persons, property or business and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for offset or abatement of Rent: (1) to change the Building's name or street address upon thirty (30) days' prior written notice to Tenant; (2) to install, affix and maintain all signs on the exterior and/or interior of the Building; (3) to designate and/or approve prior to installation, all types of signs, window shades, blinds, drapes, awnings or other similar items, and all internal lighting that may be visible from the exterior of the Premises; (4) upon reasonable notice to Tenant, to display the Premises to prospective purchasers at reasonable hours at any time during the Term and to prospective tenants at reasonable hours during the last twelve (12) months of the Term; (5) to grant to any party the exclusive right to conduct any business or render any service in or to the Building, provided such exclusive right shall not operate to prohibit Tenant from using the Premises for the purpose permitted hereunder; (6) to change the arrangement and/or location of entrances or passageways, doors and doorways, corridors, elevators, stairs, washrooms or public portions of the Building, and to close entrances, doors, corridors, elevators or other facilities, provided that such action shall not materially and adversely interfere with Tenant's access to the Premises or the Building; (7) to have access for Landlord and other tenants of the Building to any mail chutes and boxes located in or on the Premises as required by any applicable rules of the United States Post Office; and (8) to close the Building after Standard Operating Hours except that Tenant and its employees and invitees shall be entitled to admission at all times, under such regulations as Landlord prescribes for security purposes.

**ARTICLE TWENTY
ESTOPPEL CERTIFICATE**

20.01 IN GENERAL

Within fifteen (15) days after request therefor by Landlord, Mortgagee or any prospective mortgagee or owner, Tenant agrees as directed in such request to execute an Estoppel Certificate in recordable form, binding upon Tenant, certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that this Lease as modified is in full force and effect); (ii) the dates to which Rent has been paid; (iii) that Tenant is in the possession of the Premises if that is the case; (iv) that Landlord is not in default under this Lease, or, if Tenant believes Landlord is in default, the nature thereof in detail; (v) that Tenant has no off-sets or defenses to the performance of its obligations under this Lease (or if Tenant believes there are any off-sets or defenses, a full and complete explanation thereof); (vi) that the Premises have been completed in accordance with the terms and provisions hereof or the Workletter, that Tenant has accepted the Premises and the condition thereof and of all improvements thereto and has no claims against Landlord or any other party with respect thereto; (vii) that if an assignment of rents or leases has been served upon the Tenant by a Mortgagee, Tenant will acknowledge receipt thereof and agree to be bound by the provisions thereof; (viii) that Tenant will give to the Mortgagee copies of all notices required or permitted to be given by Tenant to Landlord; and (ix) to any other information reasonably requested.

20.02 ENFORCEMENT

In the event that Tenant fails to deliver an Estoppel Certificate, then such failure shall be a Default for which there shall be no cure or grace period. In addition, Tenant shall be deemed to have irrevocably appointed Landlord as Tenant's attorney-in-fact to execute and deliver such Estoppel Certificate.

ARTICLE TWENTY-ONE INTENTIONALLY DELETED

ARTICLE TWENTY-TWO REAL ESTATE BROKERS

Each of Landlord and Tenant represents that, except for CB Richard Ellis, Inc. and Gallini and Lester Corporate Realty Services, LP, it has not dealt with any real estate broker, sales person, or finder in connection with this Lease, and no such person initiated or participated in the negotiation of this Lease, or showed the Premises to Tenant. Tenant hereby agrees to indemnify, protect, defend and hold Landlord and the Indemnitees, harmless from and against any and all liabilities and claims for commissions and fees arising out of a breach of the foregoing representation. Landlord hereby agrees to indemnify, protect, defend and hold Tenant, harmless from and against any and all liabilities and claims for commissions and fees arising out of a breach of the foregoing representation. Landlord shall be responsible for the payment of all commissions to CB Richard Ellis, Inc. as specified in this Article.

ARTICLE TWENTY-THREE MORTGAGEE PROTECTION

23.01 SUBORDINATION AND ATTORNMENT

This Lease is and shall be expressly subject and subordinate at all times to (i) any ground or underlying lease of the Real Property, now or hereafter existing, and all amendments, extensions, renewals and modifications to any such lease, and (ii) the lien of any mortgage or trust deed now or hereafter encumbering fee title to the Real Property and/or the leasehold estate under any such lease, and all amendments, extensions, renewals, replacements and modifications of such mortgage or trust deed and/or the obligation secured thereby, unless such ground lease or ground lessor, or mortgage, trust deed or Mortgagee, expressly provides or elects that the Lease shall be superior to such lease or mortgage or trust deed. Landlord hereby represents and warrants that as of the effective date of this Lease, there is no ground or underlying lease of the Real Property nor any mortgage or deed of trust encumbering the Building or the Real Property. If any such mortgage or trust deed is foreclosed (including any sale of the Real Property pursuant to a power of sale), or if any such lease is terminated, upon request of the Mortgagee or ground lessor, as the case may be, Tenant shall attorn to the purchaser at the foreclosure sale or to the ground lessor under such lease, as the case may be, provided, however, that such purchaser or ground lessor shall not be (i) bound by any payment of Rent for more than one month in advance except payments in the nature of security for the performance by Tenant of its obligations under this Lease; (ii) subject to any offset, defense or damages arising out of a default of any obligations of any preceding Landlord; or (iii) bound by any amendment or modification of this Lease made

without the written consent of the Mortgagee or ground lessor; or (iv) liable for any security deposits not actually received in cash by such purchaser or ground lessor. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to obtain a non-disturbance agreement from any future Mortgagee or ground lessor, which agreement shall be in such Mortgagee's or ground lessor's standard form. This subordination shall be self-operative and no further certificate or instrument of subordination need be required by any such Mortgagee or ground lessor. In confirmation of such subordination, however, Tenant shall execute promptly any reasonable certificate or instrument that Landlord, Mortgagee or ground lessor may request so long as such instrument contains a commercially reasonable non-disturbance provision. Tenant hereby constitutes Landlord as Tenant's attorney-in-fact to execute such certificate or instrument for and on behalf of Tenant upon Tenant's failure to do so within fifteen (15) days of a request to do so. Upon request by such successor in interest, Tenant shall execute and deliver reasonable instruments confirming the attornment and non-disturbance provided for herein.

23.02 MORTGAGEE PROTECTION

Tenant agrees to give any Mortgagee or ground lessor, by registered or certified mail, a copy of any notice of default served upon the Landlord by Tenant, provided that prior to such notice Tenant has received notice (by way of service on Tenant of a copy of an assignment of rents and leases, or otherwise) of the address of such Mortgagee or ground lessor. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Mortgagee or ground lessor shall have an additional thirty (30) days after receipt of notice thereof within which to cure such default or if such default cannot be cured within that time, then such additional notice time as may be necessary, if, within such thirty (30) days, any Mortgagee or ground lessor has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings or other proceedings to acquire possession of the Real Property, if necessary to effect such cure). Such period of time shall be extended by any period within which such Mortgagee or ground lessor is prevented from commencing or pursuing such foreclosure proceedings or other proceedings to acquire possession of the Real Property by reason of Landlord's bankruptcy. Until the time allowed as aforesaid for Mortgagee or ground lessor to cure such defaults has expired without cure, Tenant shall have no right to, and shall not, terminate this Lease on account of default. This Lease may not be modified or amended so as to reduce the rent or shorten the term, or so as to adversely affect in any other respect to any material extent the rights of the Landlord, nor shall this Lease be canceled or surrendered, without the prior written consent, in each instance, of the ground lessor or the Mortgagee.

ARTICLE TWENTY-FOUR NOTICES

(a) All notices, demands or requests provided for or permitted to be given pursuant to this Lease must be in writing and shall be personally delivered, sent by Federal Express or other overnight courier service, or mailed by first class, registered or certified mail, return receipt requested, postage prepaid.

(b) All notices, demands or requests to be sent pursuant to this Lease shall be deemed to have been properly given or served by delivering or sending the same in accordance with this Section, addressed to the parties hereto at their respective addresses listed below:

(1) Notices to Landlord shall be addressed:

Metropolitan Life Insurance Company
c/o CB Richard Ellis, Inc.
2100 McKinney Avenue, Suite 1080
Dallas, Texas 75201

with a copy to the following:

Metropolitan Life Insurance Company
Two Lincoln Centre
5420 LBJ Freeway, Suite 1310
Dallas, Texas 75240
Attn: Director, Real Estate Investments

(2) Notices to Tenant prior to the Commencement Date shall be addressed:

Stockdale Investment Group, Inc.
26000 Commercentre Drive
Lake Forest, CA 92630
Attn: Melissa Pratt

Pluris Holdings LLC
26000 Commercentre Drive
Lake Forest, CA 92630
Attn: Maurice Gallarda

Notices to Tenant from and after the Commencement Date shall be addressed as follows:

Stockdale Investment Group, Inc.
2100 McKinney, Suite 1550
Dallas, Texas 75201
Attn: Melissa Pratt

Pluris Holdings LLC
2100 McKinney, Suite 1550
Dallas, Texas 75201
Attn: Maurice Gallarda

(c) If notices, demands or requests are sent by registered or certified mail, said notices, demands or requests shall be effective upon being deposited in the United States mail. However, the time period in which a response to any such notice, demand or request must be given shall commence to run from the date of receipt on the return receipt of the notice, demand or request by the addressee thereof. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of notice, demand or request sent.

Notices may also be served by personal service upon any officer, director or partner of Landlord or Tenant or in the case of delivery by Federal Express or other overnight courier service, notices shall be effective upon acceptance of delivery by an employee, officer, director or partner of Landlord or Tenant.

(d) By giving to the other party at least thirty (30) days written notice thereof, either party shall have the right from time to time during the term of this Lease to change their respective addresses for notices, statements, demands and requests, provided such new address shall be within the United States of America.

ARTICLE TWENTY-FIVE
INTENTIONALLY DELETED

ARTICLE TWENTY-SIX
MISCELLANEOUS

26.01 LATE CHARGES

All payments required hereunder (other than the Monthly Base Rent, Rent Adjustments, and Rent Adjustment Deposits, which shall be due as hereinbefore provided) to Landlord shall be paid within ten (10) days after Landlord's demand therefor. All such amounts (including, without limitation Monthly Base Rent, Rent Adjustments, and Rent Adjustment Deposits) not paid when due shall bear interest from the date due until the date paid at the Default Rate in effect on the date such payment was due.

26.02 WAIVER OF JURY TRIAL

As a material inducement to Landlord to enter into this Lease, Tenant hereby waives its right to a trial by jury of any issues relating to or arising out of its obligations under this Lease or its occupancy of the Premises. Tenant acknowledges that it has read and understood the foregoing provision.

26.03 INTENTIONALLY DELETED

26.04 OPTION

This Lease shall not become effective as a lease or otherwise until executed and delivered by both Landlord and Tenant. The submission of the Lease to Tenant does not constitute a reservation of or option for the Premises, but when executed and delivered by Tenant, the Lease shall constitute an irrevocable offer on the part of Tenant in effect for fifteen (15) days to lease the Premises on the terms and conditions herein contained.

26.05 TENANT AUTHORITY

Tenant represents and warrants to Landlord that it has full authority and power to enter into and perform its obligations under this Lease, that the person executing this Lease is fully empowered to do so, and that no consent or authorization is necessary from any third party. Landlord may request that Tenant provide Landlord evidence of Tenant's authority.

26.06 OFAC

Landlord advises Tenant hereby that the purpose of this Section 26.06 is to provide to the Landlord information and assurances to enable Landlord to comply with the law relating to OFAC.

Tenant hereby represents, warrants and covenants to Landlord, either that (i) Tenant is regulated by the SEC, FINRA or the Federal Reserve (a "Regulated Entity") or (ii) neither Tenant nor any person or entity that directly or indirectly (a) controls Tenant or (b) has an ownership interest in Tenant of twenty-five percent (25%) or more, appears on the list of Specially Designated Nationals and Blocked Persons ("OFAC List") published by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury.

If, in connection with this Lease, there is one or more Guarantors of Tenant's obligations under this Lease, then Tenant further represents, warrants and covenants either that (i) any such Guarantor is a Regulated Entity or (ii) neither Guarantor nor any person or entity that directly or indirectly (a) controls such Guarantor or (b) has an ownership interest in such Guarantor of twenty-five percent (25%) or more, appears on the OFAC List.

Tenant covenants that during the term of this Lease to provide to Landlord information reasonably requested by Landlord including without limitation, organizational structural charts and organizational documents which Landlord may deem to be necessary ("Tenant OFAC Information") in order for Landlord to confirm Tenant's continuing compliance with the provisions of this Section. Tenant represents and warrants that the Tenant OFAC Information it has provided or to be provided to Landlord or Landlord's broker in connection with the execution of this Lease is true and complete.

26.07 ENTIRE AGREEMENT

This Lease, the Exhibits attached hereto and the Workletter contain the entire agreement between Landlord and Tenant concerning the Premises and there are no other agreements, either oral or written, and no other representations or statements, either oral or written, on which Tenant has relied. This Lease shall not be modified except by a writing executed by Landlord and Tenant.

26.08 MODIFICATION OF LEASE FOR BENEFIT OF MORTGAGEE

If Mortgagee of Landlord requires a modification of this Lease which shall not result in any increased cost or expense to Tenant or in any other substantial and adverse change in the rights and obligations of Tenant hereunder, then Tenant agrees that the Lease may be so modified.

26.09 EXCULPATION

Tenant agrees, on its behalf and on behalf of its successors and assigns, that any liability or obligation under this Lease shall only be enforced against Landlord's equity interest in the Property up to a maximum of Five Million Dollars (\$5,000,000.00), and in no event against any other assets of the Landlord, or Landlord's officers or directors.

26.10 ACCORD AND SATISFACTION

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent due shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent shall 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 installment or payment of Rent or pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

26.11 LANDLORD'S OBLIGATIONS ON SALE OF BUILDING

In the event of any sale or other transfer of the Building, Landlord shall be entirely freed and relieved of all agreements and obligations of Landlord hereunder accruing or to be performed after the date of such sale or transfer, provided that all of Landlord's obligations hereunder are specifically assumed by the buyer or transferee.

26.12 BINDING EFFECT

This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and permitted assigns.

26.13 CAPTIONS

The Article and Section captions in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such Articles and Sections.

26.14 APPLICABLE LAW

This Lease shall be construed in accordance with the laws of the State of Texas. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each item, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

26.15 ABANDONMENT

In the event Tenant vacates or abandons the Premises but is otherwise in compliance with all the terms, covenants and conditions of this Lease, Landlord shall (i) have the right to enter into the Premises in order to show the space to prospective tenants, (ii) have the right to reduce the services provided to Tenant pursuant to the terms of this Lease to such levels as Landlord reasonably determines to be adequate services for an unoccupied premises and (iii) during the last six (6) months of the Term, have the right to prepare the Premises for occupancy by another tenant upon the end of the Term. Tenant expressly acknowledges that in the absence of written notice pursuant to Section 11.02(a), hereof, none of the foregoing acts of Landlord or any other

act of Landlord shall constitute a termination of Tenant's right to possession or an acceptance of Tenant's surrender of the Premises, and the Lease shall continue in effect.

26.16 LANDLORD'S RIGHT TO PERFORM TENANT'S DUTIES

If Tenant fails timely to perform any of its duties under this Lease or the Workletter, Landlord shall have the right (but not the obligation), to perform such duty on behalf and at the expense of Tenant without prior notice to Tenant, and all sums expended or expenses incurred by Landlord in performing such duty shall be deemed to be additional Rent under this Lease and shall be due and payable upon demand by Landlord.

26.17 RIDERS

Rider 1 attached hereto, when executed both by Landlord and Tenant, and Rider 2 and Rider 3, each as attached hereto, shall all be deemed to be a part hereof and are hereby incorporated herein.

26.18 GUARANTY

Simultaneously with the execution of this Lease by Tenant, and as a condition precedent hereto, Brian Pratt, an individual, shall execute a Guaranty substantially in the form of the Guaranty Agreement attached hereto as RIDER 3 and made a part hereof.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, this Lease has been executed as of the date set forth in Section 1.01(4) hereof.

LANDLORD:

METROPOLITAN LIFE INSURANCE
COMPANY

By: *[Signature]*
Its: Director

TENANT:

STOCKDALE INVESTMENT GROUP, INC.,
a California corporation

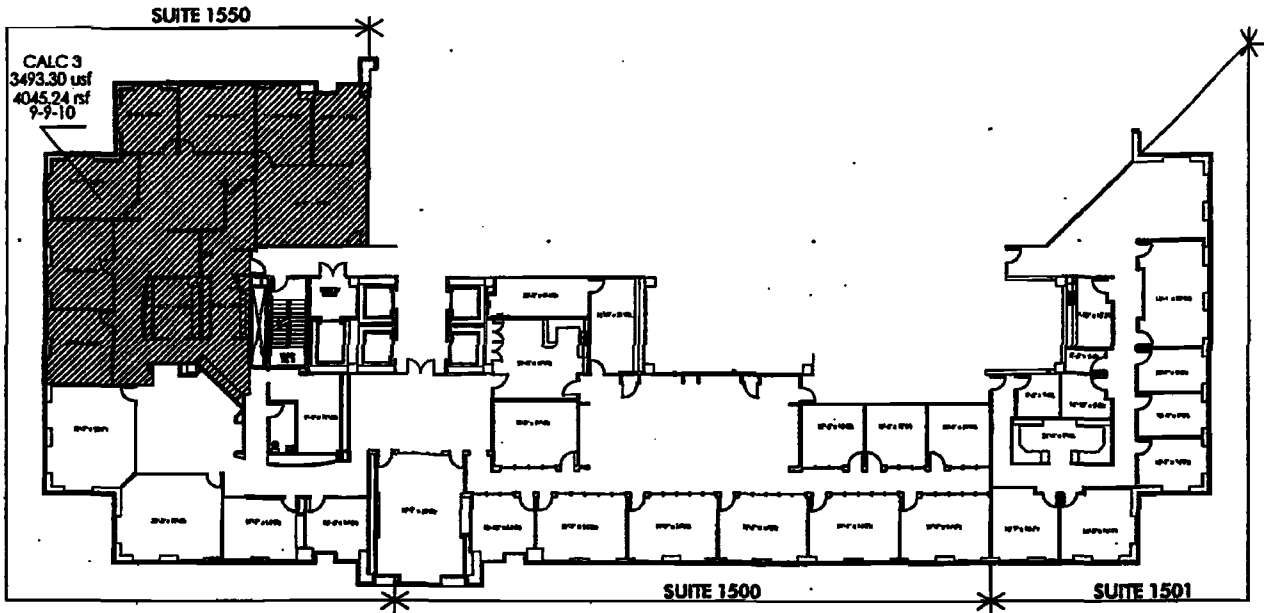
By: *[Signature]* BRIAN PRATT
Its: PRESIDENT

PLURIS HOLDINGS LLC,
a Nevada limited liability company

By: *[Signature]* BRIAN PRATT
Its: PRINCIPAL



Exhibit A - 1



KEY PLAN



PLAN OF PREMISES

EXHIBIT A

2100 MCKINNEY

DALLAS, TEXAS

FLOOR: 15TH
 SUITE: 1500/1501/1550
 DATE: 6/9/10
 RSF: SEE PLAN

ENTOS

2100 McKinney
 Stockdale Investment Group, Inc./
 Pluris Holdings LLC

EXHIBIT B

WORKLETTER AGREEMENT

1. Subject to Landlord's maintenance obligations in the Lease and subject to the terms and provisions of this Exhibit B, Tenant accepts the Premises in their "as is" condition on the date of this Lease.

2. Within forty-five (45) business days from the Effective Date, Tenant shall provide to Landlord, or its designated agent, for its approval final working drawings, prepared by an architect that has been approved by Landlord, or Landlord's designated agent (which approval shall not be unreasonably withheld), of all improvements that Tenant proposes to install in the Premises; such working drawings shall include the partition layout, ceiling plan, electrical outlets and switches, telephone outlets, drawings for any modifications to the mechanical and plumbing systems of the Building, and detailed plans and specifications for the construction of the improvements called for under this Exhibit B in accordance with all applicable governmental laws, codes, rules, and regulations. Further, if any of Tenant's proposed construction work will affect the Building's HVAC, electrical, mechanical, or plumbing systems, then the working drawings pertaining thereto shall be prepared by the Building's engineer of record, whom Tenant shall at its cost engage for such purpose. Landlord's approval of such working drawings shall not be unreasonably withheld, provided that, (i) they comply with all applicable governmental laws, codes, rules, and regulations, (ii) such working drawings are sufficiently detailed to allow construction of the improvements in a good and workmanlike manner, and (iii) the improvements depicted thereon conform to the rules and regulations promulgated from time to time by Landlord for the construction of tenant improvements (a copy of which has been delivered to Tenant). As used herein, "Working Drawings" shall mean the final working drawings approved by Landlord, as amended from time to time by any approved changes thereto, and "Work" shall mean all improvements to be constructed in accordance with and as indicated on the Working Drawings. Approval by Landlord of the Working Drawings shall not be a representation or warranty of Landlord that such drawings are adequate for any use, purpose, or condition, or that such drawings comply with any applicable law or code, but shall merely be the consent of Landlord to the performance of the Work. Tenant and Landlord shall sign the Working Drawings to evidence their review and approval thereof. All changes in the Work must receive the prior written approval of Landlord (not to be unreasonably withheld), and in the event of any such approved change Tenant shall, upon completion of the Work, furnish Landlord with an accurate, reproducible "as-built" plan (e.g., sepia) of the improvements as constructed, which plan shall be incorporated into this Lease by this reference for all purposes. Additionally, Tenant shall, upon completion of the Work, deliver to Landlord the AutoCAD of such improvements as constructed.

3. Tenant shall submit the Working Drawings to a contractor or contractors approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Upon request, Landlord may inspect copies of such bids and invoices for the Work. All contractors and subcontractors shall be required to procure and maintain insurance against such risks, in such amounts, and with such companies as Landlord may reasonably require. Certificates of such insurance, with paid receipts therefor, must be received by Landlord before

the Work is commenced. The Work shall be performed in a good and workmanlike manner that is free of defects and is in material conformance with the Working Drawings, and shall be performed in such a manner and at such times as to maintain harmonious labor relations and not to interfere with or delay Landlord's other contractors, the operation of the Building, and the occupancy thereof by other tenants. All contractors and subcontractors shall contact Landlord and schedule time periods during which they may use Building facilities in connection with the Work (e.g., elevators, excess electricity, etc.). Tenant shall be responsible for taking whatever action shall be necessary to obtain and maintain in effect all authorizations, approvals and permits required by any governmental entity for the Work (provided, that the costs incurred by Tenant in connection therewith may be reimbursed from the Construction Allowance described below, to the extent Tenant is entitled to such reimbursement in accordance with the terms and conditions of this Exhibit "B"), and Landlord shall cooperate reasonably with Tenant (but shall not be required to incur any expense in connection therewith) in obtaining such authorizations, approvals or permits.

4. Tenant shall bear the entire cost of performing the Work (including without limitation, moving expenses, design of the Work and preparation of the Working Drawings, costs of construction labor and materials, additional janitorial services, general tenant signage, related taxes and insurance costs, however, expressly excluding the cost of electrical usage during construction, all of which costs are herein collectively called the "Total Construction Costs") in excess of the Construction Allowance (hereinafter defined).

5. Landlord shall provide to Tenant a construction allowance (the "Construction Allowance") equal to the lesser of (i) \$40.00 per square foot of Rentable Area of the Premises, or (ii) the Total Construction Costs, as adjusted for any approved changes to the Work; however, Tenant shall not become entitled to full credit for the Construction Allowance until the Work is Substantially Complete. In addition, Landlord shall reimburse Tenant up to \$.10 per square foot of Rentable Area of the Premises for an initial space plan. Tenant may use a part of the Construction Allowance, up to an amount equal to \$5.00 per square foot of Rentable Area of the Premises, for the payment of the telecommunications and computer cabling and wiring in connection with the Premises. Tenant may also use a part of the Construction Allowance to purchase furniture, fixtures and equipment for the Premises; provided, that any furniture, fixtures and equipment purchased by Tenant for the Premises with any portion of the Construction Allowance shall be subject to Landlord's prior written approval (which approval shall not be unreasonably withheld, conditioned or delayed) and shall be and remain the property of Landlord, owned by Landlord and to be surrendered with the Premises in good and clean condition (reasonable and ordinary wear and tear excepted) at the expiration or earlier termination of the Lease Term (and Tenant shall have no claim or right to same thereafter, any such claim or rights being hereby waived and released by Tenant for all purposes). Any cost savings achieved after completion of the Work shall be solely the property of Landlord, not Tenant. Notwithstanding the foregoing, Tenant must use any remaining balance of the Construction Allowance within nine (9) months of the Commencement Date (to be within the initial calendar year of the Work) or any such remaining balance shall be forfeited by Tenant and retained by Landlord. Notwithstanding anything to the contrary set forth in this paragraph above, it is agreed that Landlord shall make disbursements of the Construction Allowance to Tenant (or, at Tenant's designation and request in writing, directly to Tenant's contractors and/or

materialmen) within thirty (30) days after Landlord's receipt of a disbursement request therefor by Tenant, provided that such disbursements shall each be contingent upon the prior satisfaction of each of the following conditions to-wit: (a) Landlord shall have received invoices from Tenant's contractors and/or materialmen, evidencing the cost of performing the portion of the Work that is the subject of the applicable disbursement request, together with lien waivers from all such contractors and parties, each in form and content reasonably satisfactory to Landlord, and accompanied by a written consent (in form and content reasonably satisfactory to Landlord) by Tenant to the finished Work which is the subject of such disbursement request; and (b) Landlord shall have inspected the Work which is the subject of such disbursement request (which inspection shall be undertaken by Landlord promptly following receipt of the applicable disbursement request) and shall have confirmed through such inspection, to Landlord's reasonable satisfaction, that the portion of the Work which is the subject of such disbursement request has been completed in accordance with the approved plans therefor and in compliance with all applicable laws (provided, however, that approval by Landlord of any disbursement request, and such inspection of the Work by Landlord, shall not constitute a representation or warranty of Landlord that such Work is adequate for any use, purpose or condition or that the same has been completed in a good and workmanlike manner or complies with any applicable laws or codes, but shall merely be the consent of Landlord for purposes of facilitating disbursement of the Construction Allowance as set forth herein); provided, further, that Landlord shall in no event be required to disburse funds from the Construction Allowance more frequently than once per month, and Landlord shall be entitled to hold back ten percent (10%) of each such total disbursement request amount from each such Construction Allowance disbursement until thirty (30) days following final completion of the Work. The final disbursement of the Construction Allowance shall be contingent, in addition to the conditions set forth in the immediately preceding sentence, upon receipt by Landlord of a true and correct copy of a certificate of occupancy or other approval (if and to the extent required) from the appropriate governmental authority, as applicable to the Work, or other evidence of governmental inspection and approval of such Work (if and as to the extent required), together with evidence of the payment by Tenant, if applicable, of any amount by which the sum of all actual total construction costs with respect to the Work exceeds the Construction Allowance amount.

6. Landlord or its affiliate shall supervise the Work, make disbursements required to be made to the contractor, and coordinate the relationship between the Work, the Building, and the Building's systems. In consideration for CB Richard Ellis, Inc.'s construction supervision services, Tenant shall pay to CB Richard Ellis, Inc. a construction supervision fee equal to 1% of the Total Construction Costs.

7. Landlord hereby permits Tenant and/or its agents or laborers to enter the Premises at Tenant's sole risk prior to the Commencement Date, in order to perform through Tenant's own contractors the Work. The foregoing license to enter prior to the Commencement Date, however, is conditioned upon Tenant's labor not interfering with Landlord's contractors or with any other tenant or its labor. If at any time such entry shall cause disharmony, interference or union disputes of any nature whatsoever, or if Landlord shall, in Landlord's sole judgment, determine that such entry, such work or the continuance thereof shall interfere with, hamper or prevent Landlord from proceeding with the completion of the Building or the Premises at the earliest possible date, this license may be withdrawn by Landlord effective immediately upon

written notice to Tenant. Such entry shall be deemed to be under and subject to all of the terms, covenants and conditions of the Lease, and Tenant shall comply with all of the provisions of the Lease which are the obligations or covenants of the Tenant other than the obligation to pay Rent for the Premises, except as provided in this Work Letter. In the event that Tenant, its agents or laborers incur any charges from Landlord, including but not limited to charges for use of construction or hoisting equipment on the Property, then and in that event, such charges shall be deemed an obligation of Tenant and shall constitute Rent due under the Lease. Tenant's entry into the Premises solely for the purposes of this paragraph shall not be deemed to be occupancy of the Premises.

EXHIBIT C

BUILDING RULES AND REGULATIONS

The following rules and regulations shall apply to the Premises, the Building, the parking garage associated therewith, the Land and the appurtenances thereto:

1. Sidewalks, doorways, vestibules, halls, stairways, and other similar areas shall not be obstructed by tenants or used by any tenant for purposes other than ingress and egress to and from their respective leased premises and for going from one to another part of the Building.

2. Plumbing, fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or deposited therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or its agents, employees or invitees, shall be paid by such tenant.

3. No signs, advertisements or notices shall be painted or affixed on or to any windows or doors or other part of the Building without the prior written consent of Landlord. No nails, hooks or screws shall be driven or inserted in any part of the Building (other than within the Premises) except by Building maintenance personnel. No curtains or other window treatments shall be placed between the glass and the Building standard window treatments.

4. Landlord shall provide and maintain an alphabetical directory for all tenants in the main lobby of the Building.

5. Landlord shall provide all initial door locks in each tenant's leased premises, at the Landlord's cost, and no tenant shall place any additional or replacement door locks thereafter (all of which additional or replacement locks shall be at such tenant's sole expense) in its leased premises without Landlord's prior written consent. Landlord shall initially furnish to each tenant a reasonable number of keys to such tenant's leased premises, at Landlord's cost, and no tenant shall make a duplicate thereof; provided, that any additional or replacement keys thereafter shall be at the tenant's sole expense.

6. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by tenants of any bulky material, merchandise or materials which require use of elevators or stairways, or movement through the Building entrances or lobby shall be conducted under Landlord's supervision at such times and in such a manner as Landlord may reasonably require. Each tenant assumes all risks of and shall be liable for all damage to articles moved and injury to persons or public engaged or not engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of acts in connection with carrying out this service for such tenant.

7. Landlord may prescribe weight limitations and determine the locations for safes and other heavy equipment or items, which shall in all cases be placed in the Building so as to distribute weight in a manner acceptable to Landlord which may include the use of such supporting devices as Landlord may require. All damages to the Building caused by the

installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.

8. Corridor doors, when not in use, shall be kept closed. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals shall be brought into or kept in, on or about any tenant's leased premises. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.

9. Tenant shall cooperate with Landlord's employees in keeping its leased premises neat and clean. Tenants shall not employ any person for the purpose of such cleaning other than the Building's cleaning and maintenance personnel.

10. To ensure orderly operation of the Building, no ice, mineral or other water, towels, newspapers, etc. shall be delivered to any leased area except by persons approved by Landlord.

11. Tenant shall not make or permit any improper, objectionable or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them.

12. No machinery of any kind (other than normal office equipment) shall be operated by any tenant on its leased area without Landlord's prior written consent, nor shall any tenant use or keep in the Building any flammable or explosive fluid or substance.

13. Landlord will not be responsible for lost or stolen personal property, money or jewelry from tenant's leased premises or public or common areas regardless of whether such loss occurs when the area is locked against entry or not.

14. No vending or dispensing machines of any kind may be maintained in any leased premises without the prior written permission of Landlord.

15. All mail chutes located in the Building shall be available for use by Landlord and all tenants of the Building according to the rules of the United States Postal Service.

RIDER 1

COMMENCEMENT DATE AGREEMENT

Metropolitan Life Insurance Company, a New York corporation ("Landlord"), and _____, a _____ ("Tenant"), have entered into a certain Office Lease Agreement dated _____, 200__ (the "Lease").

WITNESSETH:

WHEREAS, Landlord and Tenant wish to confirm and memorialize the Commencement Date and Expiration Date of the Lease as provided for in Section 2.02(b) of the Lease;

NOW, THEREFORE, in consideration of these presents and the mutual covenants hereby contained and contained in the Lease, Landlord and Tenant agree as follows:

1. Unless otherwise defined herein, all capitalized terms shall have the same meaning ascribed to them in the Lease.
2. The Commencement Date of the Lease is _____.
3. The Expiration Date of the Lease is _____.
4. Tenant hereby confirms the following:
 - (a) Tenant has accepted possession of the Premises pursuant to the terms and provisions of the Lease;
 - (b) the Landlord Work is Substantially Complete;
 - (c) the Rentable Area of the Premises is _____ square feet; and
 - (d) the Lease is in full force and effect.
5. Except as expressly modified hereby, all terms and provisions of the Lease are hereby ratified, republished and revived and shall remain in full force and effect and binding on the parties hereto.
6. The Lease and this Commencement Date Agreement contain all of the terms, covenants, conditions and agreements between the Landlord and the Tenant relating to the subject matter herein. No prior other agreements or understandings pertaining to such matters are valid or of any force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have caused their respective names to be subscribed to this Commencement Date Agreement, the execution and delivery thereof have been duly authorized.

LANDLORD:

TENANT:

METROPOLITAN LIFE INSURANCE
COMPANY, a New York corporation

a _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

RIDER 2

ADDITIONAL LEASE PROVISIONS

1. **PARKING.**

Tenant shall be permitted to use up to three (3) reserved parking spaces upon request by Tenant, in the parking garage associated with the Building (the "Parking Garage"), during the initial Term at such rates and subject to such terms, conditions and regulations as are from time to time charged or applicable to patrons of the Parking Garage; provided, that the locations of such reserved spaces in the Parking Garage that are hereby made available for use by Tenant shall be at those locations labeled as spaces 18 through 20, inclusive, on Parking Level P4, as depicted in the parking layout attached to this Rider 2 as Schedule 1 and made a part hereof. The current monthly fees are \$150.00, plus applicable taxes, per space for reserved spaces in the Parking Garage and \$80.00, plus applicable taxes, per space for unreserved spaces in the Parking Garage which fees may be adjusted from time to time in accordance with market conditions. During the first twelve months of the Term, monthly fees for the parking spaces shall be abated. In the event Tenant is in Default under the terms and conditions of the Lease on the day any installment of Monthly Base Rent is due and owing during the first twelve months of the Term, then, in such event, the abatement of the monthly parking fees as set forth above, shall no longer be in effect and Tenant shall be obligated, during the period of such uncured default, to pay the full monthly parking fees. In the event of termination of the Lease at any time during the first twenty-four (24) Lease Months as a result of a default of Tenant thereunder or in the event of the occurrence of a default by Tenant during the first twenty-four (24) Lease Months which is continuing beyond the expiration of any applicable cure periods under the terms and conditions of the Lease without termination of the Lease, then, in addition to any other amounts recoverable by Landlord pursuant to the terms thereof, Tenant shall pay to Landlord an amount equal to the full amount of any credits realized by Tenant pursuant to this abatement of monthly parking fees. If, for any reason, Landlord fails or is unable to provide, or Tenant is not permitted to use, all or any portion of the parking spaces to which it is entitled hereunder, then Tenant's obligation to pay for such spaces shall be abated for so long as Tenant does not have the use thereof; this abatement shall be in full settlement of all claims that Tenant might otherwise have against Landlord because of Landlord's failure or inability to provide Tenant with such parking spaces. If Tenant sublets any portion of the Premises or assigns any of its interest in this Lease, then the parking spaces allocated to Tenant hereunder shall be reduced to the extent the ratio between the rentable square feet of the Premises and the parking spaces granted to Tenant hereunder exceeds the Building standard ratio of parking space per rentable square foot as established by Landlord from time to time. If Tenant leases additional space in the Building, additional parking spaces will be provided to Tenant at a ratio of one unreserved parking space per 333 square feet of rentable office space leased.

2. **RENEWAL OPTIONS.**

(a) Provided that the certain Office Lease agreement dated as of September 30, 2010 by and between Landlord and Primoris Services Corporation (and covering Suite 1500 at the Building) has then been and/or is being then concurrently renewed and extended for a period that is coterminous with the renewal and extension period set forth in this paragraph below, and

provided also that no default or a condition which, with the giving of notice, passage of time, or both, would become, in Landlord's sole discretion, a material default (such condition being hereinafter referred to as an "Unmatured Default") is existing under this Lease at the time the Renewal Option (hereinafter defined) is exercised, or at the commencement of the Renewal Period (hereinafter defined), and subject to the right of Tenant to nullify the exercise of the Renewal Option as hereinafter provided, Tenant shall have the right (the "Renewal Option") to extend the Term for two consecutive five-year periods (each a "Renewal Period") commencing on the expiration of the initial Term or the first Renewal Period, as the case may be.

(b) The Renewal Option shall be exercised, if at all, by written notice to Landlord given on or before nine (9) months prior to the expiration of the initial Term and, if the first Renewal Period is in effect, prior to the expiration of the first Renewal Period. If Tenant fails strictly to comply with the procedure for exercise of a Renewal Option, Tenant shall have no further right to extend the Term.

(c) Landlord's and Tenant's rights and obligations for the Renewal Period shall be upon the same terms and conditions as are contained in this Lease, except as hereinafter provided:

(i) The annual Base Rent (described below) during the Renewal Period shall be at the rate per annum per square foot of rentable area in the Premises, equal to a fair market rate with tenant improvement allowance and concessions, but in no event shall the Base Rent for any year in the Renewal Period be less than the Base Rent for the year immediately preceding the commencement of the Renewal Period;

(ii) Landlord's good faith determination of the Base Rent for a Renewal Period shall be conclusive, binding upon Tenant and not contestable by Tenant; provided, however, Tenant shall have the right to nullify its exercise of the option to extend the Term, by notice to Landlord, given within thirty (30) days of Landlord's notice to Tenant (which Landlord's notice shall be given to Tenant not later than eight [8] months prior to the commencement of the Renewal Period) setting forth the initial Base Rent for the Renewal Period, in which event Tenant's exercise of the option to extend shall be null and void and neither Landlord nor Tenant shall have any further rights or liabilities with respect thereto. Tenant's failure to give the notice of nullification described above within such thirty (30) day period shall constitute acceptance by Tenant of, and Tenant's agreement to pay, the Base Rent specified for the Renewal Period.

(iii) Tenant shall have no further right to extend the Term and no right to any abatement of Base Rent or Rent Adjustments during either of the Renewal Periods.

(iv) If Tenant fails to properly extend the term of the Lease for the first Renewal Period, all of Tenant's rights, if any, in the second Renewal Period shall terminate and Tenant shall have no further right to extend the term for the second Renewal Period.

3. HEATING, VENTILATING AND AIR CONDITIONING.

Notwithstanding anything to the contrary in Section 6.01(a)1 of this Lease, Landlord shall provide heating and air conditioning on a 24-hour basis, as necessary in Landlord's reasonable judgment for the comfortable occupancy of the Premises under normal business operations, subject to compliance with all applicable voluntary and mandatory regulations and Laws, at no additional charge to Tenant other than Tenant's Share of Electrical Costs. Landlord reserves the right, under certain conditions, and with thirty (30) days written notice to Tenant, to alter this policy in the future as dictated by governmental, lender or owner requirements; provided however, Landlord shall furnish heating and air conditioning during Standard Operating Hours and Saturdays from 9:00 A.M. to 1:00 P.M., excluding National Holidays.

4. ACCESS.

Landlord shall provide access to the Premises and parking structure for Tenant and its employees 24 hours per day, 7 days per week, subject to the terms of the Lease and such protective services or monitoring systems, if any, as Landlord may reasonably impose, including sign-in procedures, presentation of identification cards and/or keys of any kind.

5. TEMPORARY SPACE.

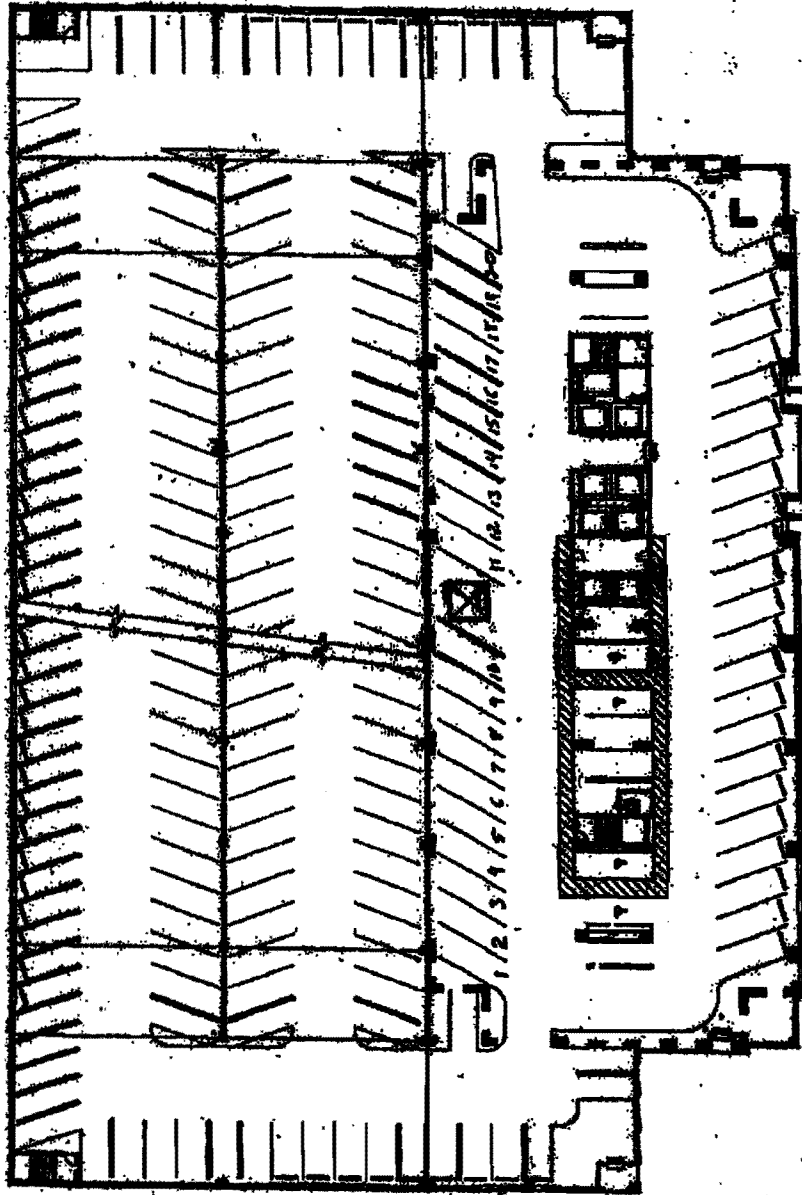
In the event the Tenant Work is not Substantially Complete by January 8, 2011, Landlord hereby grants to Tenant an option to lease from Landlord on a temporary basis certain space in the Building identified by Landlord (the "Temporary Space") upon and subject to the terms specified below. Such option may be exercised by written notice to Landlord given on or before December 15, 2010. The term of the lease of the Temporary Space shall commence no earlier than January 9, 2011 and shall expire on February 28, 2011 (the "Temporary Space Lease Term"). Tenant shall have the right to renew its lease of the Temporary Space (the "Temporary Space Renewal Term") for one (1) additional month by giving written notice of such renewal to Landlord fifteen (15) days prior to the expiration of the Temporary Space Lease Term.

The lease of the Temporary Space provided for under this Provision 6 shall be on the same terms, covenants and conditions set forth in this Lease for the Premises, except that (i) Monthly Base Rent and Rent Adjustments shall be abated for the Temporary Space during the Temporary Space Lease Term provided, however, Tenant shall be obligated to pay Tenant's share of Electrical Costs and parking fees during the Temporary Space Lease Term, (ii) regardless of the reason Tenant has extended the Temporary Space Lease Term, Tenant shall pay monthly rent to Landlord for the Temporary Space during the Temporary Space Renewal Term in an amount equal to an annual rate of \$29.00 per rentable square foot in the Temporary Space plus Rent Adjustments and utilities costs and other charges for which Tenant is responsible under the Lease, as applicable to the Temporary Space, which rent shall be prorated for partial months within the Temporary Space Renewal Term; (iii) notwithstanding anything to the contrary in this Lease, Rent for the Premises shall commence on the Commencement Date; provided, however, so long as Tenant commences paying Rent and continues paying Rent on the Premises, no Rent shall be due for the Temporary Space during the period of time Tenant is paying Rent for the Premises; (iv) Landlord has no obligation to make any improvements to the Temporary Space or provide Tenant with any tenant improvement allowance in connection with the Temporary Space and Tenant hereby accepts the Temporary Space "AS IS" without benefit of further

improvements and without warranty of suitability or fitness for a particular purpose; (v) the terms of Exhibit B (Workletter Agreement), Provision 2 (Right of First Refusal) and Provision 3 (Renewal Options) of this Lease shall not apply to the Temporary Space; (vi) Tenant shall have no right whatsoever to assign or sublease the Temporary Space nor shall Tenant allow any party other than Tenant and its employees to occupy the Temporary Space; (vii) the lease term and expiration date for the Temporary Space shall be as set forth above in this Provision 6; (viii) upon the expiration of the Temporary Space Lease Term, or Temporary Space Renewal Term, as applicable, Tenant shall remove all its personal property from the Temporary Space and shall return to Landlord all keys to the Temporary Space and leave the Temporary Space in such condition as received, ordinary wear and tear excepted; and (ix) any other provision of this Lease which by its nature or purpose is inapplicable or inappropriate to a two (2) or three (3) month lease shall not apply, including, without limitation, the designation of the Suite Number provided for in Section 1.01 of this Lease.

SCHEDULE 1 TO RIDER 2

Depiction of Parking Spaces



RIDER 3

GUARANTY AGREEMENT

In consideration of the making of that certain Office Lease agreement (as same may be amended from time to time, the "Lease") dated as of September 30, 2010, between METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Landlord"), as Landlord, and STOCKDALE INVESTMENT GROUP, INC., a California corporation, and PLURIS HOLDINGS LLC, a Nevada limited liability company (collectively, "Tenant"), as Tenant, covering certain space (the "Premises") initially comprising approximately four thousand one hundred nine (4,109) square feet of Rentable Area (as defined in the Lease), designated as Suite 1550 and located in the building ("Building") situated at 2100 McKinney Avenue in the City of Dallas, Dallas County, Texas, and for the purpose of inducing Landlord to enter into and make the Lease, the undersigned, BRIAN PRATT, an individual ("Guarantor"), hereby unconditionally (except as otherwise set forth below) guarantees the full and prompt payment of all rent (as defined in the Lease) and all other sums required to be paid by Tenant under the Lease (including, without limitation, all rent payable with respect to the initial Premises and all expansion space) (individually, a "Guaranteed Payment", and collectively, the "Guaranteed Payments") and the full and faithful performance of all terms, conditions, covenants, obligations and agreements contained in the Lease on the Tenant's part to be performed (individually, a "Guaranteed Obligation", and collectively, the "Guaranteed Obligations"). The undersigned further promises to pay all of Landlord's costs and expenses (including reasonable attorneys' fees) incurred in endeavoring to collect the Guaranteed Payments or to enforce the Guaranteed Obligations or incurred in enforcing this Guaranty, as well as all damages which Landlord may suffer in consequence of any default or breach under the Lease or this Guaranty. Notwithstanding anything contained in this Guaranty Agreement ("Guaranty") to the contrary, however, it is agreed that the undersigned Guarantor's monetary liability under this Guaranty shall in any event be expressly limited to a maximum monetary amount equal to Two Hundred Twenty Thousand Eight Hundred Twenty-Seven and No/100 Dollars (\$220,827.00); provided, further, that such maximum monetary liability amount shall, provided that no event of default by Tenant under the Lease then exists and is continuing beyond the expiration of any and all applicable notice or cure periods applicable thereto, be reduced on each annual anniversary of the Commencement Date of the Lease by an amount equal to Twenty-Seven Thousand Six Hundred Three and 38/100 Dollars (\$27,603.38) on each such annual anniversary (which reductions shall, provided that the conditions prerequisite thereto shall occur and each such reduction shall become effective pursuant hereto, shall result in Guarantor's maximum monetary liability during each 12 month period of the Lease Term of the Lease thus being in the following amounts after the application of each appropriate annual reduction:

Months 1-12:	\$220,827.00
Months 13-24:	\$193,223.63
Months 25-36:	\$165,620.25
Months 37-48:	\$138,016.87
Months 49-60:	\$110,413.49
Months 61-72:	\$ 82,810.11
Months 73-84:	\$ 55,206.73
Months 85-96:	\$ 27,603.35).

1. Landlord may at any time and from time to time, without notice to or consent by the undersigned, take any or all of the following actions without affecting or impairing the liability and obligations of the undersigned on this Guaranty:

(a) grant an extension or extensions of time for payment of any Guaranteed Payment or time for performance of any Guaranteed Obligation;

(b) grant an indulgence or indulgences in the payment of any Guaranteed Payment or in the performance of any Guaranteed Obligation;

(c) modify or amend the Lease or any term thereof or any obligation of Tenant arising thereunder;

(d) consent to any assignment or assignments, sublease or subleases and successive assignments or subleases by Tenant or by Tenant's successors or assigns;

(e) consent to an extension or extensions of the term of the Lease;

(f) accept other guarantees or guarantors; and/or

(g) release any person primarily or secondarily liable hereunder or under the Lease or under any other guaranty of the Lease.

The liability of the undersigned under this Guaranty will not be affected or impaired by any failure or delay by Landlord in enforcing any Guaranteed Payment or Guaranteed Obligation or this Guaranty or any security therefor or in exercising any right or power in respect thereto, or by any compromise, waiver, settlement, change, subordination, modification or disposition of any Guaranteed Payment or Guaranteed Obligation or of any security therefor. In order to hold the undersigned liable hereunder, there will be no obligation on the part of Landlord, at any time, to resort to Tenant or to any other guaranty or to any security or other rights and remedies for payment or performance, and Landlord will have the right to enforce this Guaranty irrespective of whether or not other proceedings or actions are pending or being taken seeking resort to or realization upon or from any of the foregoing.

2. The undersigned waives all diligence in collection or in protection of any security, presentment, protest, demand, notice of dishonor or default, notice of acceleration or intent to accelerate, notice of acceptance of this Guaranty, notice of any extensions granted or other action taken in reliance hereon and all demands and notices of any kind in connection with this Guaranty or any Guaranteed Payment or Guaranteed Obligation.

3. The undersigned hereby acknowledges full and complete notice and knowledge of all the terms, conditions, covenants, obligations and agreements of the Lease.

4. The payment by the undersigned of any amount pursuant to this Guaranty will not in any way entitle the undersigned to any right, title or interest (whether by subrogation or

otherwise) of Tenant under the Lease or to any security being held for any Guaranteed Payment or Guaranteed Obligation.

5. This Guaranty will be continuing, absolute and unconditional and will remain in full force and effect until all Guaranteed Payments are made, all Guaranteed Obligations are performed and all obligations of the undersigned under this Guaranty are fulfilled.

6. This Guaranty will also bind the heirs, personal representatives, successors and assigns of the undersigned and will inure to the benefit of Landlord and Landlord's successors and assigns.

7. This Guaranty will be governed by and construed according to the laws of the State of Texas and will be performed in the county identified in the first paragraph of this Guaranty. The situs for the resolution (including any judicial proceedings) of any disputes arising under or relating to this Guaranty will be the county referenced in the first paragraph of this Guaranty.

8. If this Guaranty is executed by more than 1 person, all singular nouns and verbs herein relating to the undersigned will include the plural number, the obligations of the several guarantors will be joint and several and Landlord may enforce this Guaranty against any 1 or more guarantors without joinder of any other guarantor (hereunder or otherwise).

9. Landlord and the undersigned intend and believe that each provision of this Guaranty comports with all applicable law. However, if any provision of this Guaranty is found by a court to be invalid for any reason, the remainder of this Guaranty will continue in full force and effect and the invalid provision will be construed as if it were not contained herein.

10. Guarantor will, from time to time, within ten (10) days after written request by Landlord, execute and deliver to such persons as Landlord may designate, an estoppel agreement certifying that this Guaranty is in full force and effect and further certifying such other matters as Landlord may reasonably require.

11. Other agreements similar to this Guaranty may, at Landlord's sole option and discretion, be executed by other persons with respect to the Lease. This Guaranty shall be cumulative of any such agreements and the liabilities and obligations of the undersigned Guarantor under this Guaranty shall not be affected or diminished by reason of any such other agreements. Moreover, if Landlord obtains another signature of more than one guarantor on this Guaranty or by obtaining additional guaranty agreements, or both, Guarantor agrees that Landlord, in Landlord's sole discretion, may (a) bring suit against all guarantors of the Lease (including without limitation Guarantor) jointly and severally, or against any one or more of them, (b) compound or settle with any one or more of the guarantors (including, without limitation, Guarantor) for such consideration as Landlord may deem proper, and (c) release one or more of the guarantors from liability. No such action shall impair the rights of Landlord to enforce the Lease or any guaranty obligations against any remaining guarantor or guarantors, including the undersigned Guarantor.

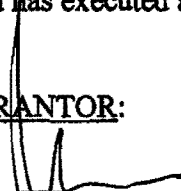
12. If Guarantor is a corporation or a partnership or other form of entity, each person signing this Guaranty as an officer, partner or other duly authorized signatory on behalf of said Guarantor represents to Landlord that such person is authorized to execute this Guaranty without the necessity of obtaining any other signature of any other officer, partner or authority, that the execution of this Guaranty has been authorized by all corporate, partnership or other prerequisite action required under the authorizing instruments of such Guarantor, as the case may be, and that this Guaranty is fully binding on the undersigned Guarantor and has been determined by the board of directors, partners or other governing authority of the Guarantor, as the case may be, to reasonably be expected to benefit such Guarantor.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Guaranty this 29 day of September, 2010.

ADDRESS OF GUARANTOR:

3901 SHENANDOAH ST.
DALLAS, TX 75205

GUARANTOR:

 BRIAN PRATT
Printed Name: Brian Pratt
Social Security No.: 547-60-6798
Driver's License No.: A0019039 State: CA
Date of Execution 9-29-10