

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
In re

Allegiance Telecom, Inc , et al.,

Debtors
_____ X

Chapter 11 Case No
03-13057 (RDD)

Jointly Administered

**STIPULATION AND AGREED UPON ORDER RESOLVING
(I) THE DEBTORS' MOTION PURSUANT TO SECTION 365
OF THE BANKRUPTCY CODE FOR APPROVAL OF THE REJECTION OF
THE PHILADELPHIA LEASE WITH COMMERCE SQUARE PARTNERS -
PHILADELPHIA PLAZA, L P AND (II) THE MOTION OF COMMERCE SQUARE
PARTNERS - PHILADELPHIA PLAZA, L P FOR AN ORDER REQUIRING
THE IMMEDIATE ASSUMPTION OR REJECTION OF THE PHILADELPHIA
LEASE AND REQUEST FOR IMMEDIATE PAYMENT OF ADMINISTRATIVE
EXPENSES PURSUANT TO SECTION 503(a) OF THE BANKRUPTCY CODE**

Shared Technologies Allegiance, Inc ("ST"), as debtor and debtor in possession,
and Commerce Square Partners - Philadelphia Plaza, L P ("Philadelphia Plaza"), by and through
their respective undersigned attorneys, hereby stipulate and agree, subject to Court approval, as
follows

WHEREAS, on May 14, 2003 (the "Commencement Date"), ST commenced with
this Court a voluntary case under chapter 11 of title 11 of the United States Code (the
"Bankruptcy Code"),

WHEREAS, ST continues to operate its business and manage its properties as a
debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code,

WHEREAS, on or about June 17, 2002, ST acquired certain unexpired leases of
nonresidential real property from RealCom Communications Corporation ("RealCom"), an
affiliate of WorldCom, Inc , pursuant to that certain Asset Purchase Agreement, dated as of June
17, 2002, including that certain lease, dated July 1, 1987, as amended, between Philadelphia

Plaza, as landlord, and RealCom, as tenant, which governs certain premises (the “Philadelphia Premises”) located at 2005 Market Street, Philadelphia, Pennsylvania 19103 (the “Philadelphia Lease”), and

WHEREAS, on June 19, 2003, ST, together with other affiliated debtors-in-possession, filed a motion for an order pursuant to section 365(d)(4) of the Bankruptcy Code to extend the time within which to assume or reject, *inter alia*, the Philadelphia Lease,

WHEREAS, on August 4, 2003, Philadelphia Plaza filed a motion pursuant to section 365 of the Bankruptcy Code for an order requiring ST to immediately assume or reject the Philadelphia Lease, together with a request for immediate payment of administrative expense pursuant to section 503(a) of the Bankruptcy Code (the “Philadelphia Plaza Motion”), and

WHEREAS, on August 6, 2003, ST and other affiliated debtors filed a motion for an order pursuant to section 365(a) of the Bankruptcy Code authorizing debtors to reject certain unexpired leases of nonresidential real property, which included a request that ST be authorized to reject the Philadelphia Lease, to be effective as of the Commencement Date (the “Rejection Motion”),

WHEREAS, Philadelphia Plaza and ST dispute the amount of rent owed to Philadelphia Plaza and the validity of the Philadelphia Lease, and the parties desire to compromise, resolve and settle fully all disputes or differences that may exist between them, both asserted and not asserted, arising out of, in connection with, or relating to the Philadelphia Lease,

WHEREAS, on or about November 25, 2003, Philadelphia Plaza filed a proof of claim in the amount of \$134,148.28 (the “Philadelphia Plaza Proof of Claim”), and

NOW, THEREFORE, for good and valuable consideration, the legal sufficiency of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows

1 The Philadelphia Lease shall be deemed rejected, pursuant to section 365 of the Bankruptcy Code, effective as of August 6, 2003

2 Within ten (10) business days of the Court entering an order approving this Stipulation, ST shall pay to Philadelphia Plaza the sum of twenty thousand dollars (\$20,000) in full and final satisfaction of any and all of Philadelphia Plaza's postpetition claims (the "Settlement Payment")

3 ST, on its own behalf and on behalf of its past, present, and future shareholders, agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns (the "ST Releasers") does hereby release and forever discharge all claims arising from or relating to the Philadelphia Lease, including but not limited to, all claims and defenses that were asserted or that could have been asserted in the Rejection Motion or in opposition to the Philadelphia Plaza Motion, that the ST Releasers have or may have against Philadelphia Plaza, its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns

4 Philadelphia Plaza, on its own behalf and on behalf of its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns (the "Philadelphia Plaza Releasers") does hereby release and forever discharge all claims arising from or relating to the Philadelphia Lease, other than the Philadelphia Plaza Proof of Claim, arising from or relating to the Philadelphia Lease, including but not limited to, all claims and defenses that were asserted or that could have been asserted in

the Philadelphia Plaza Motion or in opposition to the Rejection Motion, that the Philadelphia Plaza Releasors have or may have against ST, its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns

5 The Philadelphia Plaza Proof of Claim is deemed an allowed general unsecured claim in the amount of \$75,000

6 This Court shall retain jurisdiction to resolve any disputes between ST and Philadelphia Plaza arising with respect to this Stipulation and Agreed Upon Order

7 Any motion or application brought before this Court to resolve any dispute arising under or related to this Stipulation and Agreed Upon Order shall be brought on proper notice in accordance with the relevant Federal Rules of Bankruptcy Procedure and the Local Rules of this Court

8 The undersigned, on behalf of ST and Philadelphia Plaza, each warrants and represents that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Agreed Upon Order on behalf of such party

9 This Stipulation and Agreed Upon Order constitutes the complete and exclusive statement of the terms and conditions between ST and Philadelphia Plaza with respect to the subject matter hereof and supersedes and merges all prior proposals, understandings and all other agreements, oral and written, between the parties relating to the subject matter hereof

10 This Stipulation and Agreed Upon Order shall have no force or effect and shall not be binding upon either ST or Philadelphia Plaza until it is approved by the Court

Dated December 15, 2003

KIRKLAND & ELLIS LLP
Matthew A Cantor (MC-7727)
Jonathan S Henes (JH-1979)
Citigroup Center
153 East 53rd Street
New York, New York 10022-4675
(212) 446-4800

HANGLEY ARONCHICK SEGAL &
PUDLIN
Robert L Ebby
One Logan Square, 27th Floor
Philadelphia Pennsylvania 19103
(215) 568-6200

By /s/ Jonathan S Henes
Jonathan S Henes (JH-1979)

ATTORNEYS FOR THE DEBTORS AND
DEBTORS IN POSSESSION

By Robert L Ebby
Robert L Ebby

ATTORNEYS FOR PHILADELPHIA
PLAZA

SO ORDERED, this 23rd day of December, 2003

/s/Robert D Dram
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

PROOF OF CLAIM

Name of Debtor
Shared Technologies Allegiance IncCase Number
03 13108**NOTE** This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503Name of Creditor (The person or other entity to whom the debtor owes money or property)
Commerce Square Partners Philadelphia Plaza L PName and Address where notices should be sent
c/o David L Ebby Esquire
Hangley Aronchick Segal & Pudlin
One Logan Square 27th Floor
Philadelphia PA 19103

Telephone Number 215 568 6200

Account or other number by which credit identifies debtor

Check here if
this claim☐ replaces
☐ amends a previously filed claim

1 Basis for Claim

- ☐
- Goods sold
-
- ☐
- Services performed
-
- ☐
- Money loaned
-
- ☐
- Personal injury/wrongful death
-
- ☐
- Taxes
-
- ☒
- Other
- Lease Damages

- ☐
- Retiree benefits as defined in 11 U.S.C. § 1114(a)
-
- ☐
- Wages salaries and compensation (fill out below)
-
- Your SS# _____
-
- Unpaid compensation for services performed
-
- from _____ to _____
-
- (date) (date)

RECEIVED

DEC 03 2003

BMC

2 Date debt was incurred

3 If court judgment, date obtained

4 Total Amount of Claim at Time Case Filed

\$134,148.28

If all or part of your claim is secured or entitled to priority also complete Item 5 or 6 below

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim Attach itemized statement of all interest or additional charges

5 Secured Claim

☐ Check this box if your claim is secured by collateral (including a right of setoff)

Brief Description of Collateral

- ☐
- Real Estate
- ☐
- Motor Vehicle
-
- ☐
- Other _____

Value of Collateral \$ _____

Amount of arrearage and other charges _____ included in secured claim if any \$ _____

6 Unsecured Priority Claim

- ☐
- Check this box if you have an unsecured priority claim
-
- Amount entitled to priority \$ _____
-
- Specify the priority of the claim
-
- ☐
- Wages salaries or commissions (up to \$4 650) * earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business whichever is earlier 11 U.S.C. § 507(a)(3)
-
- ☐
- Contributions to an employee benefit plan 11 U.S.C. § 507(a)(4)
-
- ☐
- Up to \$2 100* of deposits toward purchase lease, or rental of property or services for personal family or household use 11 U.S.C. § 507(a)(6)
-
- ☐
- Alimony maintenance or support owed to a spouse former spouse or child 11 U.S.C. § 507(a)(7)
-
- ☐
- Taxes or penalties owed to governmental units 11 U.S.C. § 507(a)(8)
-
- ☐
- Other Specify applicable paragraph of 11 U.S.C. § 507(a)()

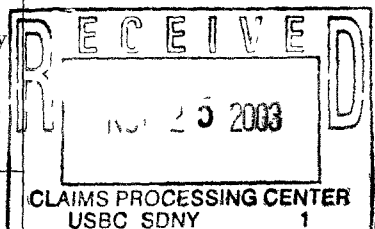
* Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment

7 Credits The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim

THIS SPACE IS FOR COURT USE ON

8 Supporting Documents Attach copies of supporting documents such as promissory notes purchase orders invoices itemized statements of running accounts contracts court judgments mortgages security agreements and evidence of perfection of lien DO NOT SEND ORIGINAL DOCUMENTS If the documents are not available explain If the documents are voluminous attach a summary

9 Date-Stamped Copy To receive an acknowledgment of the filing of your claim enclose a stamped self addressed envelope and copy of this proof of claim

Date
11/24/2003Sign and print the name and title if any of the creditor or other person authorized to file this claim (attach copy of power of attorney if any)
Robert L Ebby Esquire

Penalty for presenting fraudulent claim Fine of up to \$500 000 or imprisonment for up to 5 years or both 18 U.S.C. § 1573



01811

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re

Chapter 11

ALLEGIANCE TELECOM, INC , et al

Case No 03-10945 (MFW)

Debtor

Jointly Administered

**SUPPLEMENT TO PROOF OF CLAIM
OF COMMERCE SQUARE PARTNERS~PHILADELPHIA PLAZA L P
AGAINST SHARED TECHNOLOGIES ALLEGIANCE, INC**

This proof of claim (the "Claim") is filed on behalf of Commerce Square Partners~Philadelphia Plaza L P (hereinafter "Commerce") The Claim is based upon that certain Lease, dated July 1, 1987, as amended (the "Lease", a copy of which, along with exhibits and amendments, is attached hereto as Exhibit B), between Commerce and Shared Technologies Allegiance, Inc , as assignee (the "Debtor"), one of the debtors in the above-captioned bankruptcy proceedings

Pursuant to the Lease, the Debtor is obligated, inter alia, to pay Base Rent and Additional Rent due in connection therewith To the extent the Debtor rejects the Lease, Commerce has suffered damages under the Lease as set forth on Exhibit A attached, hereto, including \$17,139 04 for unpaid rent due under the Lease as of the Petition Date, and, under Section 502(b)(6) of the Bankruptcy Code, \$117,009 24 Accordingly, Commerce hereby files this Claim in the amount of \$134,148 28

This Claim is filed with the full reservation of rights, including, without limitation (a) the right to assert additional, supplementary and/or amended proofs of claim and requests for administrative expense reimbursements based on events,

information and/or documents obtained from the debtors or other parties through discovery or otherwise, including, without limitation, (i) if and when the Lease is rejected, (ii) any administrative expense claim for post-petition under the Lease, (iii) any claims asserted in any motions or pleadings Commerce has previously filed with this Court, or (iv) any claim for damage to the property subject to the Lease, (b) Commerce's rights and/or claims against any party other than the Debtor, (c) Commerce's interest in property, including in property of the Debtors' estates, (d) Commerce's rights under any other contract or agreement, including, without limitation, any Communication Services and Equipment Agreement, amended or otherwise, between Commerce and the Debtor or any other party, and (e) the right to assert a setoff or recoupment with respect to any alleged improper or unwarranted payments to Commerce prior to the Petition Date. Neither this Claim nor any other claim filed by or on behalf of Commerce shall waive (1) the right of Commerce to have final orders in non-core matters entered only after de novo review by a District Judge, (2) the right of Commerce to trial by jury in any proceeding so triable in this case or any case, controversy or proceeding related to this case, (3) the right of Commerce to have the District Court withdraw the reference in any matter subject to mandatory or discretionary withdrawal, or (4) any other rights, claims, actions, defenses, setoffs, or recoupments, including the right of subrogation, to which Commerce is or may be entitled under agreements, at law, in equity or otherwise, all of which rights, claims, actions, defenses, setoffs, and recoupments the undersigned expressly reserves on behalf of Commerce.

Correspondence Concerning Claim

All correspondence concerning claim should be directed to

Robert L Ebby, Esquire
David A Ebby, Esquire
Matthew A Hamermesh, Esquire
Hangley Aronchick Segal & Pudlin, P C
One Logan Square, 27th Floor
Philadelphia, PA 19103

EXHIBIT A
UNSECURED CLAIM OF
COMMERCE SQUARE PARTNERS~
PHILADELPHIA PLAZA L P
AGAINST
SHARED TECHNOLOGIES ALLEGIANCE , INC

Rent Reserved for One Year from Petition Date

| | Per month | For one year | |
|--|------------|--------------|---------------------|
| Base Rent | \$5,582 50 | \$66,990 00 | |
| Additional Rent | \$4,168 27 | \$50,019 24 | |
| Sub-total | | | \$117,009 24 |
| Unpaid Charges at Petition Date | | | \$17,139 04 |
| <hr/> | | | |
| Total Unsecured Claim | | | \$134,148 28 |

EXHIBIT B

LEASE, AMENDMENTS AND EXHIBITS

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this "Assignment") is made as of the 16th day of July, 2002, by and among **REALCOM COMMUNICATIONS CORPORATION**, a Delaware corporation ("Assignor"), and **SHARED TECHNOLOGIES ALLEGIANCE, INC.**, a Delaware corporation ("Assignee")

WITNESSETH.

A Maguire/Thomas Partners-Philadelphia Plaza Associates, a Pennsylvania general partnership ("Landlord") and Assignor entered into that certain Lease dated July 1, 1987 as amended by that certain Amendment to Lease dated as of June 12, 1989, as further amended by that certain Second Amendment to Lease dated as of March 11, 1994, and as further amended by that certain Third Amendment to Lease dated April 1, 1997 (collectively, the "Lease"), pertaining to the lease of certain premises containing approximately 4,466 rentable square feet (the "Premises") on the 19th floor in that certain building (the "Building") commonly known as Commerce Square - Phase I, located at 2005 Market Street, Philadelphia, Pennsylvania.

B. Assignor, as Seller, and Assignee, as Purchaser, entered into that certain Asset Purchase Agreement (the "Agreement") dated as of June 17, 2002

C. Pursuant to the terms of the Agreement, Assignor is required to execute an assignment and assumption agreement assigning Assignor's right, title and interest in the Lease to Assignee

D Assignor desires to assign all of its right, title and interest in and to the Lease to Assignee, and Assignee desires to accept such assignment and assume the obligations of Assignor under the Lease

NOW, THEREFORE, it is hereby agreed as follows

1 **Assignment** Assignor hereby transfers, assigns and sets over to Assignee all of the right, title and interest of Assignor in, to and under the Lease and agrees to pay all rent and other charges accruing under the Lease prior to the Effective Date and agrees to observe and perform all of the other covenants, agreements and obligations to be observed or performed by the tenant under the Lease prior to the Effective Date. Except as expressly set forth herein, the assignment herein made shall be effective as of June 18, 2002 (the "Effective Date").

2 **Acceptance and Assumption** Assignee accepts the assignment made in Paragraph 1 above, assumes the Lease, agrees to pay all rent and other charges accruing under the Lease from and after the Effective Date and agrees to observe and perform all of the other covenants, agreements and obligations to be observed or performed by the tenant under the Lease from and after the Effective Date

3. Security Deposit Assignor has delivered to Landlord a security deposit in the amount of \$0 00. Without limiting the generality of the effect of Paragraph 1 above, effective as of the Effective Date, Assignor assigns to Assignee all right, title and interest in and to such security deposit. Upon request of Assignee, Assignor will execute such documentation as may be required by Landlord to evidence such transfer of the security deposit.

4. Reconciliation of Additional Rent Without limiting the generality of the effect of Paragraph 1 above, Assignor shall be obligated to make all payments of the Combined Expenses through the Effective Date. Assignor assigns to Assignee all of its right, title and interest in such Combined Expenses and acknowledges and agrees that if pursuant to Section 5.2 of the Lease it is determined that there has been an excess payment of the Combined Expenses, such excess shall be payable to and remain the property of Assignee. Provided Assignor has paid its Combined Expenses through the Effective Date, Assignee shall be responsible for any underpayment of the Combined Expenses arising under the Lease thereafter.

5. Indemnity Assignor hereby agrees to indemnify, defend, protect and hold harmless Assignee in connection with the tenant obligations under the Lease arising prior to the Effective Date. Assignee hereby agrees to indemnify, defend, protect and hold harmless Assignor in connection with the tenant obligations under the Lease arising from and after the Effective Date.

6. Assurances Assignor represents and warrants to Assignee that (a) attached hereto as Exhibit A is a full and complete copy of the Lease and all other amendments, modifications, security agreements, subleases, assignments and all other agreements between Assignor and Landlord relating to the leasing, use, and occupancy of the Premises, (b) the Lease is in full force and effect, (c) Assignor has not received or given any notice of default under the Lease which is extant (i.e., same was not cured during the applicable grace period) and to the knowledge of Assignor, no event has occurred which, with the giving of notice or the passage of time or both, would constitute a material default under the Lease, (d) to the best of Assignor's knowledge, all construction and improvements required of Landlord under the Lease have been fully completed, and (e) Assignor has not mortgaged, collaterally assigned, pledged, hypothecated or otherwise granted a security interest in Assignor's interest in the Lease. If any of the foregoing representations and warranties are materially false as of the Effective Date, Assignee may terminate this Assignment by written notice to Assignor.

7. Binding Effect This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, legal representatives and permitted successors and permitted assigns.

8. Notices Any notices referenced in this Assignment shall be sent to the addresses for notice set forth in the Agreement.

9. Counterparts This Assignment may be executed in two or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one

or more such counterparts have been signed by each of the parties and delivered to the other parties

10. Authorization Each of Assignor and Assignee, respectively, represent and warrant that (i) the individual signing this Assignment on behalf of each party is the duly elected and presently serving officer of such party as indicated opposite his or her name below, and (ii) the execution and delivery of this Assignment has been duly authorized by all appropriate corporate action, to the extent required by the organizational documentation and laws governing each party

11. Rent Allocation Notwithstanding anything herein to the contrary, the rent and additional rent obligations and liability of each party hereto, as between Assignor and Assignee, shall be subject to the express allocation of such obligations and liability set forth in the Agreement, including Exhibit 2 02(a)(i) of the Agreement

12. Landlord Consent. Assignor and Assignee hereby acknowledge and agree that this Assignment is expressly conditioned upon the delivery of a written consent duly executed and delivered by Landlord (the "Consent") which does not modify this Assignment (other than in a ministerial manner) pursuant to which Landlord shall consent to this Assignment. Assignor and Assignee shall use good faith efforts to obtain such Consent and in such regard shall cooperate in good faith with each other in the procurement of the Consent. If the Consent is not obtained by September 13, 2002, either party hereto may terminate this Assignment by written notice to the other delivered within five (5) business days after September 13, 2002, provided, however, that a party which does not use good faith efforts to obtain such Consent shall not have the right to terminate this Assignment.

[signatures on the following page]

IN WITNESS WHEREOF, this instrument is executed as of the day and year aforesaid

ASSIGNOR:

REALCOM COMMUNICATIONS
CORPORATION, a Delaware corporation

By: 
Name _____
Its Dave Ohler
Director, Corporate
Real Estate

ASSIGNEE:

SHARED TECHNOLOGIES ALLEGIANCE,
INC, a Delaware corporation


By: 
Name _____
Its Kenneth C. Close
Vice President
Real Estate & Facilities

EXHIBIT A

The Lease

(see attached)

LANDLORD'S CONSENT

The undersigned hereby consents to the foregoing Assignment of Lease dated July _____, 2002

LANDLORD:

**MAGUIRE/THOMAS PARTNERS-
PHILADELPHIA PLAZA ASSOCIATES,
a Pennsylvania general partnership**

**By. Maguire/Thomas Partners-Philadelphia,
Ltd , a California limited partnership,
General Partner**

**By. Thomas Development Partners-
Phase I, Inc , a California
corporation, General Partner**

By _____
Name' _____
Its. _____

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE is made this 1st day of ^{APRIL} , 1997, by and between MAGUIRE/THOMAS PARTNERS - PHILADELPHIA PLAZA ASSOCIATES, a Pennsylvania general partnership ("Landlord") and REALCOM COMMUNICATIONS CORPORATION, a Delaware corporation ("Tenant"), the successor-in-interest to Contel Office Communications, Inc., a Delaware corporation ("Contel"), the successor-in-interest to Realcom Office Communications, Inc., a Georgia corporation ("Office")

BACKGROUND

Pursuant to an Office Lease dated as of July 1, 1987 between Landlord and Realcom, as amended by a First Amendment to Lease dated as of June 12, 1989 between Landlord and Contel, as amended by a Second Amendment to Lease dated as of March 11, 1994 between Landlord and Office, (together, the "Lease") Landlord has leased to Tenant approximately 4,466 square feet of Rentable Area (the "Original Premises") on the 19th floor of an office building located at 2005 Market Street, Philadelphia, PA, commonly known as Commerce Square - Phase I (the "Building")

In addition, Landlord and Tenant have entered into a Communications Services and Equipment Agreement dated as of July 1, 1997 whereby Tenant will continue to provide communications services to the tenants of the Building, a copy of which is attached hereto for the convenience of the parties as Exhibit "A "

Landlord and Tenant now desire to amend the Lease to provide, among other things, that the Term of the Lease shall be extended

NOW, THEREFORE, the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, covenant and agree as follows

1 Incorporation of Background, Undefined Terms The Background provisions set forth above are hereby incorporated herein by reference as if set forth in full in the body of this Amendment. Unless otherwise defined herein, all capitalized terms shall have the same meanings given to such terms in the Lease

2 Extension of Term Notwithstanding anything to the contrary contained in the Lease, the expiration date of the Term shall be March 31, 2007

3 Acceptance of Premises From and after April 1, 1997, notwithstanding anything to the contrary in the Lease, Tenant accepts the Premises in their present condition "AS IS "

4 Basic Rent Landlord and Tenant hereby amend section 4.1 of the Lease to modify the Basic Rent due as follows

(a) Commencing on April 1, 1997 and continuing on the first day of

each calendar month thereafter through and including March 31, 2002, Tenant shall pay on the first day of each month Basic Rent in advance for the Premises in equal installments of Four Thousand Eight Hundred Thirty-eight and 17/100 Dollars (\$4,838 17) each

(b) Commencing April 1, 2002 and continuing on the first day of each calendar month thereafter through and including March 31, 2007, Tenant shall pay on the first day of each month Basic Rent in advance for the Premises in equal installments of Five Thousand Five Hundred Eighty-two and 50/100 Dollars (\$5,582 50) each

5 Additional Rent Article five of the Lease is hereby deleted in its entirety and the following is inserted in its place

5 Rent Adjustments

5 1 Operating Expenses

(a) From and After April 1, 1997, Tenant shall pay as Additional Rent for each "Lease Year" (as defined in Section 5 4) during the Term an amount equal to the product of (i) the amount of Operating Expenses (as defined in Paragraph 5 1(c) below) per square foot of Rentable Area in the Building for such Lease Year, multiplied by (ii) the number of square feet of Rentable Area in the Premises

(b) Any costs or expenses for services or utilities in excess of those required by this Lease to be supplied by Landlord, not otherwise included in Operating Expenses, and which are attributable directly to Tenant's use or occupancy of the Premises shall be paid in full by Tenant as Additional Rent when such costs are incurred or, if Landlord makes such payments, within five (5) days after being billed therefor by Landlord

(c) "Operating Expenses" shall mean the total of all actual costs incurred by Landlord in connection with the management, operation, maintenance, cleaning, protecting, servicing and repair of the Project. Operating Expenses shall include, without limitation, (i) the cost of providing, managing, operating, maintaining and repairing air conditioning, sprinkler, fire and life safety, electricity, steam, heating, mechanical, ventilation, lighting, escalator and elevator systems and all other utilities and the cost of supplies and equipment and maintenance and service contracts in connection therewith, (ii) the cost of repairs, general maintenance and cleaning, trash removal, telephone service, janitorial service, and supplies, security and parking shuttle and other Project services, if any, (iii) the cost of fire, extended coverage, boiler, sprinkler, apparatus, public liability, property damage, rent, earthquake and other insurance, (iv) wages, salaries and other labor costs including taxes, insurance, retirement, medical and other employee benefits, including, without limitation, such

costs for a transportation system manager and/or rideshare coordinator for the Building, (v) fees, charges and other costs, including management fees, consulting fees, legal fees and accounting fees, of all independent contractors engaged by Landlord or reasonably charged by Landlord if Landlord performs management services in connection with the Project, (vi) the fair market rental value of the Project manager's offices and storage areas in the Building, provided said offices and storage areas are devoted solely to the management, operation, maintenance or repair of the Project, (vii) the cost of business taxes and licenses, (viii) fees imposed by any federal, state or local government for fire and police protection, trash removal or other similar services which do not constitute Real Property Taxes as defined in Paragraph 5 2(b), (ix) any charges which are payable by Landlord pursuant to a service agreement with the City of Philadelphia, under a special assessment district or pursuant to any other lawful means, (x) the costs of contesting the validity or applicability of any governmental enactment which would increase Operating Expenses, (xi) capital costs incurred in connection with any equipment, device or other improvement reasonably anticipated to achieve economies in the operation, maintenance or repair of the Project or portion thereof, or to comply with Applicable Laws not effective with respect to the Project upon commencement of construction of the Building, provided, however, the same shall be amortized (including interest on the unamortized cost) over the shorter of (A) the useful life, or (B) the cost recovery period (i.e., the anticipated period to recover the full cost of such capital item from cost savings achieved by such capital item), of the relevant capital item as reasonably determined by Landlord, and (xii) depreciation of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Building or Project. For purposes of computing rent adjustments pursuant to this Article 5, Operating Expenses for the entire Project shall be equitably allocated and charged to Tenant as an amount per square foot of Rentable Area. Operating Expenses shall be adjusted to reflect one hundred percent (100%) occupancy of the Building during any period in which the Building is not one hundred percent (100%) occupied. Landlord shall have the right, from time to time, to allocate some or all of the Operating Expenses for the Project among different portions, such as office, retail or other appropriate portions, of the Project ("Cost Pools"). The Operating Expenses within each such Cost Pool shall be allocated and charged to the tenants within such Cost Pool as an amount per square foot of Rentable Area, based on the total Rentable Area within such Cost Pool. Operating Expenses shall not include the following

(1) The cost of repair to the Building including the Premises, to the extent the cost of the repairs is reimbursed by insurance,

(2) Leasing commissions paid to agents of Landlord, other brokers or any other persons in connection with the leasing of premises in the Building or any other portion of the

Project,

(3) The cost of improving or renovating space for tenants (including Tenant) or space vacated by any tenant (including Tenant),

(4) The cost of utilities charged to individual tenants (including Tenant) and payroll, material and contract costs of other services charged to tenants (including Tenant),

(5) The cost of painting and decorating the Premises or premises of other tenants,

(6) The depreciation of the Building and other real property structures in the Project,

(7) Interest, points, and fees on debt or amortization payments on any real property mortgages or deeds of trust and ground lease payments,

(8) Legal and other related expenses associated with the enforcement of leases or the defense of Landlord's title to the Land, the Building or other portions of the Project,

(9) Advertising costs incurred directly for leasing individual space in the Building or other portions of the Project,

(10) Landlord's general corporate overhead and general administrative expenses not related to the operation of the Project,

(11) Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord,

(12) All items and services for which Tenant or any other tenant in the Building reimburses Landlord, provided that, any item or service supplied selectively to Tenant shall be paid for by Tenant,

(13) To the extent reimbursed by parking fees, the cost of payroll for clerks, attendants and other persons, bookkeeping, garage keepers liability insurance, parking management fees, tickets and uniforms directly incurred in operating the parking facilities, and

(14) Costs of capital improvements to the Building and other portions of the Project except as otherwise included in Operating Expenses pursuant to this Paragraph 5 1(c)

5 2 Real Property Taxes

(a) From and After April 1, 1997, Tenant shall pay as Additional Rent for each Lease Year during the Term an amount equal to the product of (1) the amount of Real Property Taxes per square foot of Rentable Area in the Building for such Lease Year, multiplied by (11) the number of square feet of Rentable Area in the Premises

(b) "Real Property Taxes" shall mean all taxes, assessments (special or otherwise) and charges levied upon or with respect to the Project and ad valorem taxes on personal property used in connection therewith. Real Property Taxes shall include, without limitation, any tax, fee or excise on the act of entering into this Lease, on the occupancy of Tenant, the rent hereunder or in connection with the business of owning and/or renting space in the Project which are now or hereafter levied or assessed against Landlord by the United States of America, the Commonwealth of Pennsylvania or any political subdivision, public corporation, district or other political or public entity, and shall also include any other tax, assessment, fee or excise, however described (whether general or special, ordinary or extraordinary, foreseen or unforeseen), which may be levied or assessed in lieu of, as a substitute for, or as an addition to, any other Real Property Taxes. Landlord may pay any such special assessments in installments when allowed by law, in which case Real Property Taxes shall include any interest charged thereon. Real Property Taxes shall also include any private assessments or the Building's contribution towards a private cost-sharing agreement for the purpose of augmenting or improving the quality of service and amenities normally provided by governmental agencies. Real Property Taxes shall also include legal fees, costs and disbursements incurred in connection with proceedings to contest, determine or reduce Real Property Taxes. Real Property Taxes shall not include income, franchise, transfer, inheritance or capital stock taxes, unless, due to a change in the method of taxation, any of such taxes are levied or assessed against Landlord, in whole or in part, in lieu of, as a substitute for or as an addition to, any other tax which would otherwise constitute a Real Property Tax.

5.3 Payment Prior to the commencement of each Lease Year, or as soon thereafter as possible, Landlord shall furnish to Tenant a statement containing Landlord's reasonable estimate of the Operating Expenses and Real Property Taxes (collectively, "Project Expenses") for such Lease Year and a calculation of the Additional Rent, if any, payable by Tenant for such Lease Year pursuant to Sections 5.1 and 5.2 on the basis of such estimate. For calendar year 1997, Landlord estimates that the Operating Expenses will be \$7.65/rentable square foot and the Real Estate Taxes will be \$3.55/rentable square foot. If the Lease Year is a full year, Tenant shall pay to Landlord one-twelfth (1/12th) of the amount of said Additional Rent on each monthly rent payment date during such year (commencing on January 1) until further adjustment pursuant to this Section 5.3. If the Lease Year is a partial year, Tenant shall pay to Landlord on the first day of each calendar month in such partial Lease Year an amount equal to said Additional Rent divided by the

number of months in said partial Lease Year. If Landlord's statement is furnished after the start of the Lease Year, then on the next monthly rent payment date Tenant shall pay the entire portion of the Additional Rent attributable to portions of the Lease Year prior to such date. Landlord may reasonably adjust Tenant's monthly rent payments under this Article 5 from time to time during the Lease Year to reflect the then current or estimated Project Expenses and actual expenditures made during the elapsed portion of the Lease Year. Following each Lease Year, Landlord shall furnish to Tenant a statement prepared by a firm of certified public accountants selected by Landlord showing the actual Project Expenses during the previous Lease Year, and Landlord shall compute any charge or credit to Tenant necessary to adjust rent previously paid by Tenant to reflect the actual Project Expenses. If such statement and computation reveal an underpayment, Tenant shall promptly pay to Landlord an amount equal to such underpayment (whether or not this Lease has expired or been terminated), and if such statement and computation show an overpayment, Landlord shall credit the next monthly rental payment of Tenant with an amount equal to such overpayment, or, if the Term has expired, refund the overpayment to Tenant.

5.4 Lease Year; Proration "Lease Year" shall mean the partial calendar year commencing on April 1, 1997 and ending on December 31, 1997 and each subsequent calendar year within the Term. The amount of Additional Rent payable under this Article 5 shall be proportionately abated in the case of a partial month.

5.5 Use and Occupancy Tax The Project Expenses shall not include, and shall be in addition to, any sum attributable to use and occupancy tax (the "U & O Tax") of the City of Philadelphia ("City") applicable to any use or occupancy of the Project. If either Landlord or Tenant is subject to the U & O Tax as to all or any part of the Premises while they are occupied by Tenant, Tenant shall pay to Landlord, as Additional Rent, its pro rata share of such U & O Tax on a monthly basis with its monthly Basic Rent payments in accordance with the billing and collection procedures of Landlord for all tenants in the Building. The current Use and Occupancy Tax is approximately \$1.71 per square foot of Rentable Area per year. Landlord shall notify Tenant of the actual amount of the U & O Tax as to the Premises, as the same may be modified from time to time, following receipt of the invoice therefor from the City, accompanied by a copy of such invoice or other appropriate substantiation for the amount of such Additional Rent charged. Landlord shall not be responsible under any circumstances for the payment of the U & O Tax attributable to any use or occupancy of the Premises by Tenant, its assignees, sublessees or affiliates during the Term, except and only to the extent that Landlord shall forward to the City the amount of such taxes that are actually paid by, or on behalf of, Tenant to Landlord.

6 Brokerage Commission Tenant represents and warrants to Landlord that, except for Julien J Studley Company, Tenant has not retained nor utilized any broker, finder or other intermediary in the transaction described in this Amendment so as to be entitled to a brokerage commission CB Commercial, Inc ("the Agent") has been retained by Landlord and the Agent's commission shall be paid by Landlord Tenant shall indemnify and hold Landlord and the Agent harmless from and against any loss, damage or expense, including attorneys' fees arising from a breach of the foregoing representation and warranty, which shall survive the termination of this Lease

7 Binding Effect This Amendment shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns

8 Entire Agreement This Third Amendment to Lease and the Lease comprise the entire agreement between the parties hereto regarding the matters described herein and there are no other terms, covenants, conditions, agreements or representations or warranties, oral or otherwise with respect thereto, of any kind whatsoever

9 Governing Law The Lease and this Third Amendment to Lease shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania

[Remainder of Page Intentionally Blank]

10 No Other Modifications Except as expressly amended hereby, the Lease remains unmodified and in full force and effect

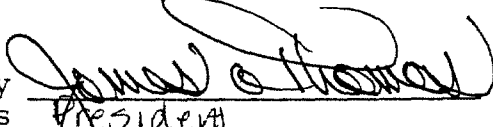
IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment, under seal as of the day and year first above written

LANDLORD

MAGUIRE THOMAS PARTNERS-PHILADELPHIA
PLAZA ASSOCIATES
a Pennsylvania partnership

By MAGUIRE/THOMAS PARTNERS-
 PHILADELPHIA, LTD a California limited
 partnership
 General Partner

By THOMAS DEVELOPMENT PARTNERS-
 PHASE I, INC
 a California corporation
 General Partner

ms By 
Its President

TENANT

REALCOM COMMUNICATIONS CORP

By 
Name STEVEN J LETTS
Title VP SALES OPS.

COMMUNICATIONS SERVICES AND EQUIPMENT AGREEMENT
BETWEEN
REALCOM COMMUNICATIONS CORPORATION
AND
MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES
FOR ONE COMMERCE SQUARE

**AGREEMENT FOR PROVISION OF CENTRALIZED
TELECOMMUNICATIONS SERVICES**

**THIS AGREEMENT FOR PROVISION OF CENTRALIZED
TELECOMMUNICATIONS SERVICES** (this "Agreement"), is made as of the 1st day
of July, 1997, by and between **MAGUIRE/THOMAS PARTNERS-PHILADELPHIA
PLAZA ASSOCIATES** ("Owner"), a Pennsylvania partnership, and **REALCOM
COMMUNICATIONS CORPORATION** ("RealCom"), a Delaware corporation

WITNESSETH

A. RealCom is engaged in the business of providing real estate owners
and their building occupants/tenants with centralized communications services,

B Owner is owner of a 41 story office building known as One Commerce
Square, Philadelphia, Pennsylvania (the "Building"),

C. RealCom has been providing communications services to the tenants
of the Building (the "Tenants") and RealCom wishes to continue to provide such
communications services, on the terms and conditions set forth below, and

D. In connection with its provision of communications services, RealCom
has leased certain space in the Building from Owner pursuant to a Lease dated
July 1, 1987, as amended by First Amendment to Lease dated as of June 12, 1989
and by Second Amendment to Lease dated March 11, 1994 and by Third
Amendment to Lease dated _____, 1997 (the "Lease")

NOW, THEREFORE, the parties hereto, for good and valuable
consideration, the receipt and sufficiency of which are hereby acknowledged,
agree as follows

1. Exclusive Right to Provide Communications Services

1 1 Owner agrees that RealCom shall have the exclusive right to market,
install and operate voice, data, facsimile and video communication services to the
Tenants through a centralized switch (PBX) or local area network shared among
the Tenants

1 2 RealCom may, on a non-exclusive basis, offer, market, install and
operate non-centralized communications equipment and other communications
services to the Tenants

1.3 Notwithstanding the exclusive right described in Section 1 1 above
(a) the Tenants will not be precluded from obtaining communications services or
equipment for themselves from a local telephone company or from other service
providers or equipment vendors, and (b) Owner will not be precluded from
installing a fiber optic system or any future technology in the Building to serve
Tenants' telecommunication needs, so long as such systems and/or technology do
not provide such services through a PBX or substantially similar central
switching system shared among Tenants

2 RealCom Service Obligations

During the term of this Agreement, RealCom will continue to offer to all Tenants, PBX-type features and functions, local exchange access through the local telephone company, and long distance service in accordance with the performance specifications set forth in Exhibit A

3. RealCom Marketing and Tenant Service Contract Obligations

3 1 RealCom to Contract with Tenants

RealCom will market to and contract directly with the Tenants for the provision of the communications services which are the subject of this Agreement. Payment for communications services provided to the Tenants will be made by the Tenants directly to RealCom or RealCom's designee. Owner and its affiliated entities in the Building, including the Building management and leasing agent, shall utilize RealCom's centralized communications services, provided the quality of such services is within accepted industry standards and the same are provided at rates no greater than the rates in RealCom's published price list.

3 2 Cooperation in Marketing

RealCom will market the communications services in the Building, and will provide marketing staff and appropriate supporting materials. To assist RealCom in marketing the communications services, Owner will provide timely introductions to RealCom so that agreements may be facilitated with the Tenants. RealCom will have a marketing representative available at reasonable times and upon reasonable notice to meet with prospective Tenant customers. Notice required by the preceding sentence shall not be less than 24 hours and shall be provided during normal business hours. Owner will also make available to RealCom relevant information concerning the present and anticipated future Tenants of the Building, which RealCom shall keep in confidence. Until such time as a prospective Tenant's customer's decision to lease space in the Building is publicly announced, RealCom may not, without the prior written approval of Owner, disclose the identity of the prospective Tenant customer referred to it by Owner to a third party, except to a public utility for purposes of coordinating the services to be provided to the prospective Tenant customer. Owner may engage in marketing efforts of its own for services offered by RealCom to the Tenants directly with the Tenants, provided that RealCom will not be bound by any representations made by Owner unless such representation was approved in advance by RealCom in writing.

3 3 Tenant Billing and Collections

RealCom will be responsible for Tenant billing and collections for all services provided by RealCom. If RealCom intends to terminate a service agreement due to a Tenant's failure to perform its obligations thereunder, RealCom will notify Owner thereof as soon as reasonably possible but not later than ten (10) working days in advance. If Owner intends to evict any Tenant using communications services furnished by RealCom, Owner will so notify RealCom as soon as reasonably possible but not later than ten (10) working days in advance.

4 Installation and Operation

4.1 RealCom will install, operate, maintain, repair or replace at its expense, all necessary switching equipment, supplemental HVAC and supplemental battery backup beyond that provided by Owner pursuant to the Lease, lateral wiring, station wiring, and station equipment for RealCom's services, other than equipment paid for or supplied by RealCom customers

4.2 RealCom will have access to all telephone closets and distribution frames in accordance with all of Owner's security and maintenance procedures, and Tenants' security procedures where applicable. Tenants and their vendors may be permitted by Owner to install riser shafts, riser cable, and distribution frames in telephone closets where such items can be reasonably accommodated

4.3 If and to the extent reasonably necessary to service Tenant customers, RealCom will provide, during normal business hours, an on-site telecommunications systems specialist to work directly with Tenant customers for training, equipment changes and service support

4.4 Where requested by RealCom, Owner will grant RealCom non-exclusive access to and the right to use, at a charge no greater than Owner's cost and subject to the rights of any public utility, all riser cable, lateral wiring, station wiring, station equipment, and distribution frames which Owner has a right to use for so long as the use of the wiring is for a customer of RealCom's communication services. Owner will grant RealCom non-exclusive access and the right to use at no charge all such facilities if they are abandoned by a Tenant or communications service vendor (including the local telephone company) for so long as the use of the wiring is for a customer of RealCom's communications services, and subject to any continuing rights of any public utility and Owner's rights to remove and/or dispose of such facilities pursuant to its lease or agreement with the Tenant or vendor

4.5 Owner will permit, at times reasonably designated by Owner, RealCom non-exclusive access and the right to use the Building common areas, in accordance with Building security and maintenance procedures, at no expense (except freight elevator charges, if any) for the purpose of repairing and maintaining at RealCom's expense, RealCom equipment necessary for RealCom's communication services in the Building

4.6 RealCom may erect and maintain communication antennae and supporting structures, including enclosures, protective fences, guy-wires, towers, buildings, and accessory and ancillary facilities, on the exterior rooftops of the Building or other suitable locations, subject to (a) Owner's prior written approval, which may be withheld in Owner's sole discretion, (b) any and all governmental restrictions, and (c) rights, if any, of the Tenants or other parties which may have installed equipment or apparatus on the rooftop or parapets with Owner's permission

4.7 Owner, its agents, employees and contractors will not perform, or give permission to others to perform, any installation, removal, relocation, maintenance repair or modification on the RealCom equipment, cabling, or wiring comprising the RealCom communications services, except in order to respond to

emergencies Owner will use reasonable efforts to notify RealCom prior to taking emergency action

5 Office and Switchroom Lease

Owner and RealCom will renew the Lease simultaneously upon the execution of this Agreement In the event of any conflict between the Lease and this Agreement, the terms of this Agreement shall control

6. Procurements from Underlying Carriers and Equipment Providers

6 1 At RealCom's reasonable request, Owner will execute letters of agency or other documents required by law or the service carrier to authorize RealCom to procure necessary goods and services from the local telephone company, or other underlying carrier, provided that RealCom shall indemnify Owner from and against any loss, liability or damage (including reasonable counsel fees and expenses) arising out of any such agency or other documents and the execution thereof

6 2 To assist RealCom in the procurement and financing of items to be provided by RealCom in the satisfaction of its obligations hereunder, Owner will execute one or more waivers of lien on such equipment

7. Term and Termination

7 1 Term

7.1 1 The term of this Agreement will be ten (10) years commencing July 1, 1997 and ending June 30, 2007 Unless and until notice of termination is given by either party, for any or no cause, the term of this Agreement will extend automatically for additional consecutive one-year terms Either party may terminate this Agreement at will at the end of the term, or of any one-year extension term, by providing the other party with written notice of termination not less than 180 days in advance

7.1.2 RealCom will not enter into communications service agreements with the Tenants which agreements have a term which extends beyond the term of this Agreement and the term of the Lease

7.1 3 If either this Agreement or the Lease terminates, the other agreement automatically shall terminate concurrently

7.2 Termination by RealCom

7.2 1 RealCom may terminate this Agreement if its communications services in the Building have not been operated by RealCom with positive annual net operating income (determined in accordance with generally accepted accounting practices) during three (3) consecutive years or if a single Tenant leases more than 25% of the Building and such Tenant declines to purchase communications services from RealCom If RealCom wishes to so terminate, it must (i) give not less than 180 days written notice to Owner, including certified accounting records justifying the termination, and (ii) use reasonable efforts

during the 180-day notice period to find a replacement service provider

7 2 2 If RealCom terminates this Agreement in accordance with paragraph 7 2 1, RealCom will continue to make communications services available to its contracted Tenants until alternative (but not necessarily centralized) telephone service as set forth in Section 2 hereof has been provided to those Tenants (unless the offer of suitable alternative service to such Tenants has been declined) and this Agreement and the Lease will be extended until such date

7.3 Breach by RealCom or Owner

A breach of this Agreement by either party will be cause for termination of this Agreement by the non-breaching party. The breaching party will be given five (5) days from receipt of notice of breach to commence a cure and 30 days to complete such cure of its breach prior to a breach becoming grounds for termination (provided that it works diligently to cure such breach). However, if the breach cannot be cured by diligent prosecution within such 30-day period, the cure period shall be extended so long as such breaching party is continuing to diligently prosecute such cure. If the breaching party fails to commence or complete a cure within the specified period, the non-breaching party may terminate this Agreement upon 90 days prior notice to the other party. During such 90-day notice period, Owner and RealCom shall use reasonable efforts to find a replacement service provider. RealCom shall have ten (10) days to cure failure to pay any amounts due Owner hereunder following receipt of notice of such failure. The termination rights set forth in this Section 7 3 are not intended to limit the right of the parties to seek other remedies at law or equity, including, without limitation, damages, provided such remedies are not otherwise limited hereunder.

7.4 Termination Due to Destruction or Condemnation

If (i) equipment requisite to the provision of communication services is destroyed and cannot be repaired or replaced within 120 days, or (ii) local exchange service is interrupted and cannot be restored within 120 days, or (iii) all or substantially all of the Building is destroyed or condemned, either party may terminate this Agreement by written notice to the other within 30 days of such destruction, interruption or condemnation, without further liability hereunder. If such termination is due to condemnation, RealCom will have the right to seek an award for damages to RealCom so long as such award does not diminish the award to which Owner is entitled.

7.5 Termination Due to Government Restriction of RealCom Services

If any government authority prohibits or limits the provisions of shared tenant communications services so that such services become uneconomical to provide (including a requirement that RealCom hard-partition its switches or pay access charges on local lines used to provide local service to RealCom's customers in the Building), RealCom may terminate this Agreement by written notice given 90 days in advance. If RealCom terminates this Agreement in accordance with this Section 7 5, RealCom will, unless prohibited by law, continue to make communications services available to its contracted Tenants until alternative (but not necessarily centralized) initial telephone service as set forth

in Section 2 hereof has been provided to those Tenants (unless the offer of suitable alternative service to such Tenants has been declined) and this Agreement and the Lease will be extended until such date

7 6 Rights at Termination

7.6 1 Upon expiration of the term of this Agreement or termination of this Agreement by either party in accordance with the terms hereof, Owner shall have the option to (1) purchase any and all equipment owned by RealCom within the Building for the fair market value of such equipment, and (11) cause RealCom to assign (to the extent assignable) to Owner or its nominee, RealCom's lease rights and obligations with respect to any and all RealCom equipment in the Building not owned by RealCom

7.6.2 Upon termination of this Agreement as a result of Owner's breach under paragraph 7 3, Owner shall have the option to (1) purchase any and all equipment owned by RealCom within the Building for 140% of the fair market value of such equipment, and (11) cause RealCom to assign (to the extent assignable) to Owner or its nominee RealCom's lease rights and obligations with respect to any and all RealCom equipment in the Building not owned by RealCom

7.6 3 With respect to any equipment that Owner elects not to purchase, RealCom shall, upon Owner's request, remove such equipment, including by way of example and not limitation, switches, computers, telephones, terminals, distribution frames, rising cabling, and lateral wiring, provided RealCom need not remove such equipment if (a) the cost of such removal is unreasonably expensive and (b) the equipment left in place is usable or compatible with remaining or replacement services in the Building and does not interfere with any other services in the Building RealCom shall repair all damage to the Building resulting from such removal

8 No Property Rights Granted

The provisions of Section 9, entitled "Subordination and Non-Disturbance" notwithstanding, Owner agrees that all RealCom wiring and equipment, including by way of example and not limitation, switching equipment and any special environmental equipment installed by RealCom, are personal property (not fixtures) and will not be subject to any landlord's lien, provided that all improvements paid for by Owner shall be considered real property or fixtures and the property of Owner

9 Subordination and Non-Disturbance

This Agreement shall be subordinate and subject to all ground and underlying leases and to any first mortgage covering the Building, that now or may hereafter affect the Building, and to all renewals, modifications or replacements thereof, provided, however that with respect to any existing ground lease, underlying lease or first mortgage, within 60 days after RealCom executes this Agreement, and, with respect to any future ground lease, underlying lease or first mortgage, on or before the effective date thereof, Owner shall use reasonable efforts to obtain from its ground lessor, underlying

lessor or first mortgagee a written agreement with RealCom which shall be binding on their respective successors and assigns and which shall provide that so long as RealCom is not in default of any of its obligations under this Agreement (beyond any applicable grace and/or cure periods) (i) RealCom shall not be joined as a defendant in any proceeding which may be instituted to foreclose or enforce any mortgage, and (ii) RealCom's possession and use of the Building, in accordance with the provisions of this Agreement shall not be affected or disturbed by reason of the subordination to or any modification of or default under the ground lease, underlying lease or first mortgage. RealCom shall be liable for any reasonable expenses necessary to obtain the documents identified in the preceding sentence. If the mortgagee, purchaser at foreclosure or grantee of a deed in lieu of foreclosure or any successor in interest shall succeed to the rights of Owner under this Agreement, whether through possession, surrender, assignment, subletting, judicial or foreclosure action, or delivery of a deed or otherwise, RealCom will attorn to and recognize such successor as Building owner and the successor will accept such attornment and recognize RealCom's rights of possession and use in accordance with the provisions of this Agreement. This clause shall be self-operative and no further instrument of attornment or recognition shall be required.

10. Mechanics' Lien

During the term of this Agreement, RealCom shall within 30 days of notice, discharge by payment, bond or otherwise, mechanics' liens filed against the Building or any portion thereof for work, labor, services or materials which have been performed or furnished for or on behalf of RealCom, except when the mechanics' liens are filed by a contractor, subcontractor, materialman or laborer of Owner, in which event Owner shall discharge the liens by payment, bond or otherwise.

11 Indemnification and Limitation of Liability

11.1 RealCom shall indemnify Owner, its officers, directors, partners, agents and employees, and any affiliates of Owner, from and against any and all claims, suits, demands, liability, damages and expenses (including attorneys' fees and court costs), if any, arising from claims for personal injury or damage to real or tangible personal property arising from or in connection with (i) RealCom's provision of services hereunder, (ii) the conduct of its business in the Building, (iii) any breach of this Agreement by RealCom, which breach continues after any applicable notice and cure period, or (iv) any act or omission of RealCom, its invitees or licensees.

If any claim is made against Owner or any Affiliate of Owner which would be covered by the foregoing indemnity obligation of RealCom, Owner shall promptly notify RealCom in writing of the claim and RealCom shall have the right to participate in the defense of any such claim utilizing counsel of its own selection, and Owner and its counsel shall cooperate with RealCom and its counsel in connection with the prosecution of any such defense. The indemnity provided in this Section 11.1 shall not apply to any settlement with which RealCom does not concur. The foregoing indemnity shall also include attorneys' fees and costs, provided Owner elects to give RealCom sole control of the defense and related settlement negotiations.

11.2 Owner will not be liable to RealCom for loss of or damage to the communications services, except that Owner will be liable for claims for bodily injury or for the cost of repair or value of equipment lost or damaged as a result of Owner's negligence, intentional acts, or authorized installation or maintenance. Owner's liability for damages to RealCom from any cause whatsoever, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise, and whether or not such damages were foreseen or unforeseen, shall be limited to the sum of \$500,000, except that this limitation of liability shall not apply to any claims to the extent they would be insurable under insurance Owner is required to maintain under this Agreement or the Lease (without regard to self-insurance rights). The foregoing limitation of liability also shall not apply to claims for personal injury or damage to real or tangible personal property. In no event will Owner be liable for any damages caused by RealCom's failure to perform as required hereunder or for any lost profits, lost savings or other consequential damages, even if Owner has been advised of the possibility of such damages. Owner, its officers, directors, partners, agents and employees, and any Affiliate of Owner, shall not be responsible or liable for (a) the provision and operation of (or the failure of RealCom to provide and operate) services and equipment to Tenants in accordance with any agreement RealCom may now or hereafter have with any Tenant, or (b) any activities whatsoever of RealCom, its employees and agents. The preceding sentence neither affects nor is affected by Section 11.1 above. RealCom's agreements with individual Tenants shall contain the following provisions:

NEITHER CUSTOMER'S LANDLORD NOR LANDLORD'S OFFICERS, AGENTS OR EMPLOYEES, THE BUILDING MANAGEMENT NOR ANY PARTY IN INTEREST TO THE LEASE UNDER WHICH CUSTOMER OCCUPIES SPACE IN THE BUILDING SHALL HAVE ANY LIABILITY TO CUSTOMER ARISING FROM THE PROVISION OR OPERATION OF THE SERVICES AND SERVICE-RELATED EQUIPMENT REFERRED TO HEREIN, OR THE INTERRUPTION OR FAILURE THEREOF FROM ANY CAUSE WHATSOEVER.

CUSTOMER HEREBY ACKNOWLEDGES THAT CUSTOMER AND REALCOM ARE THE SOLE PARTIES TO THIS AGREEMENT, AND THAT REALCOM IS ACTING AS A PRINCIPAL AND NOT AS AN AGENT OR PARTNER OF THE OWNER OF THE BUILDING, THE BUILDING MANAGEMENT OR ANY PARTY IN INTEREST TO THE LEASE UNDER WHICH CUSTOMER OCCUPIES SPACE IN THE BUILDING. IN THE EVENT OF A BREACH OF THIS AGREEMENT BY REALCOM, OR OTHER CLAIM RELATED TO OR UNDER THIS AGREEMENT, CUSTOMER'S ONLY RECOURSE SHALL BE AGAINST REALCOM, AND CUSTOMER SHALL HAVE NO CLAIM OR CAUSE OF ACTION WHATSOEVER AGAINST SAID BUILDING OWNER, THE BUILDING MANAGEMENT OR OTHER PARTY IN INTEREST TO THE LEASE.

BUILDING OWNER SHALL NOT HAVE ANY OBLIGATIONS OR LIABILITIES WHATSOEVER UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE OBLIGATION TO PROVIDE ANY OF THE SERVICES COVERED BY THIS AGREEMENT, AND NO REPRESENTATIONS OR WARRANTIES ARE BEING MADE BY

BUILDING OWNER WITH RESPECT TO THIS AGREEMENT OR ANY SERVICES HEREUNDER THE PROVISIONS OF THIS AGREEMENT ARE SEPARATE AND INDEPENDENT FROM THE PROVISIONS OF CUSTOMER'S LEASE OF SPACE IN THE BUILDING AND SHALL NOT AFFECT CUSTOMER'S OBLIGATIONS UNDER SUCH LEASE, AND WITH RESPECT TO THE RELATIONSHIP BETWEEN CUSTOMER AND BUILDING OWNER, IN THE EVENT OF ANY CONFLICT BETWEEN THIS AGREEMENT AND CUSTOMER'S LEASE OF SPACE IN THE BUILDING, THE PROVISIONS OF THE LATTER SHALL CONTROL AS USED IN THIS PARAGRAPH, "BUILDING OWNER" SHALL MEAN THE OWNER AND MANAGER OF THE BUILDING AND THEIR RESPECTIVE PARTNERS, OFFICERS, EMPLOYEES, AGENTS, CREDITORS AND MORTGAGEES

11 3 RealCom's liability for damages to Owner from any cause whatsoever, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise, and whether or not such damages were foreseen or unforeseen, shall be limited to the sum of \$500,000, except that this limitation of liability shall not apply to any claims to the extent they would be insurable under insurance RealCom is required to maintain under this Agreement or the Lease (without any regard to self-insurance rights) The foregoing limitation of liability also shall not apply to claims for personal injury or damage to real or tangible personal property In no event will RealCom be liable for any damages caused by Owner's failure to perform as required hereunder or for any lost profits, lost savings, or other consequential damages, even if RealCom has been advised of the possibility of such damages

11 4 Neither RealCom nor Owner, nor their Affiliates, nor the officers, directors, employees, agents, or contractors of RealCom, Owner, or their Affiliates, will be liable in any way for delay, failure in performance, loss or damage due to any of the following force majeure conditions fire, strike, embargo, explosion, power blackout, earthquake, volcanic action, flood, war, water, the elements, labor disputes, civil disturbances, government requirement or regulation, order of military authorities, acts of God or public enemy, inability to secure raw materials beyond the party's reasonable control, inability to secure service, equipment or transportation facilities beyond the party's reasonable control, acts or omissions of carriers, or other causes beyond the party's reasonable control, whether or not similar to the foregoing, provided, however, inability to pay amounts due shall not constitute a force majeure condition

11.5 Owner and RealCom are the only intended beneficiaries of this Agreement No right is hereby created in other entities, including Tenants of the Building

11 6 EXCEPT AS SPECIFICALLY MADE HEREIN, NEITHER OWNER NOR REALCOM MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AND EACH SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE

11 7 For purposes of this Agreement, the term Affiliate means a person directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with the party The word "control" as used in the

immediately preceding sentence, means with respect to a Person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person. The word "Person" means an individual, partnership, trust, corporation, firm or other entity.

12 Insurance

12.1 RealCom agrees that during the term of this Agreement it will maintain insurance as required pursuant to the terms of the Lease.

12.2 From and after the date hereof, Owner shall maintain insurance as required pursuant to the terms of the Lease.

13 Permits and Licenses

RealCom will obtain any and all permits and licenses necessary for the installation and provision of the communications services referred to in this Agreement. Owner will obtain all permits and licenses necessary for the satisfaction of its obligations hereunder. Each party will cooperate with the other in obtaining these permits or licenses.

14 No Joint Venture or Partnership

This Agreement is not intended to create a joint venture or partnership between the parties and neither party is authorized to act as the agent for the other party, except as specifically provided by a letter of agency creating such agency relationship.

15 Use of Trademarks

Neither party will have the right under this Agreement to use any trade name or mark of the other, including, but not limited to, the name of the Building, in connection with any product, service, promotion or publication without the written consent of the other party.

16 Applicable Law

This Agreement, and all matters regarding the interpretation and/or breach hereof, will be governed and determined in accordance with the laws of the Commonwealth of Pennsylvania.

17 Notices

Any notice, request, communication or demand under this Agreement shall be in writing and shall be considered properly delivered when addressed as hereinafter provided, and is (i) served personally, (ii) sent by registered or certified mail (return receipt requested), (iii) sent by a nationally recognized courier guaranteeing overnight delivery, or (iv) sent by facsimile transmission. Any notice, request, communication or demand by RealCom to Owner shall be

addressed to Owner at One Commerce Square, Suite 2010, 2005 Market Street, Philadelphia, Pennsylvania 19103, fax number 215-851-6021, until otherwise directed in writing by Owner and, if requested in writing by Owner, simultaneously served on or sent to Owner's first mortgagee at the address specified in such request. Any notice, request, communication or demand by Owner to RealCom shall be addressed to the Legal Department, RealCom Communications Corporation, 8280 Greensboro Drive, Suite 500, McLean, Virginia 22102, fax number _____ until otherwise directed in writing by RealCom. Rejection or other refusal to accept a notice, request, communication or demand, or the inability to deliver the same because of a changed address of which no notice was given, shall be deemed to be receipt of the notice, request, communication or demand sent.

18. Assignment

18.1 Except as provided for below, this Agreement is not assignable by either party without the prior written consent of the other party.

18.2 RealCom may, without Owner's consent, assign this Agreement to an Affiliate as defined in paragraph 11.7.

18.3 Owner may assign this Agreement in connection with a sale of the Building or a transfer of Owner's interest in the Building, and Owner may assign this Agreement to an Affiliate as defined in paragraph 11.7.

19. Subcontracting

RealCom may subcontract any or all of the construction and installation work to be performed by it under the terms and conditions of this Agreement, but will retain responsibility for the work subcontracted, provided that Owner shall have the right to approve any subcontractor, which approval shall not be unreasonably withheld. RealCom shall perform its work within the Building in such a manner as to ensure labor harmony.

20. General

20.1 Any supplement to or modification or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both parties.

20.2 If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will not be affected hereby and each term and provision hereof will be valid and enforced to the fullest extent permitted by law.

20.3 This is the entire agreement of the parties relating to the subject matter hereof. All previous agreements, writings, memoranda, understandings or discussions between or among the parties to this Agreement are superseded hereby. Without limitation of the foregoing, as of July 1, 1997, this Agreement replaces in its entirety the Agreement between the parties dated as of July 1, 1987, provided, however, that liabilities, claims or causes of action arising under said prior Agreement prior to July 1, 1997 are not extinguished or nullified by

execution of this Agreement

20.4 Both parties agree to comply with all applicable federal, state and local laws in performing their obligations under this Agreement

20.5 This Agreement shall bind and inure to the benefit of Owner and RealCom and to their respective successors and, subject to the provisions hereof, assigns

20.6 If any action or proceeding is brought by Owner or RealCom to interpret the provisions hereof or to enforce either party's respective rights hereunder, the prevailing party shall be entitled to recover from the unsuccessful party therein all costs incurred by the prevailing party in such action or proceeding, including reasonable attorneys' fees to be fixed by the court having jurisdiction thereof

20.7 Nothing in this Agreement shall be construed to impose liability on the directors, officers, employees, or representatives of either Owner or RealCom

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written

REALCOM COMMUNICATIONS CORPORATION

By

Name
Title

STEVEN J LETTS
VP SALES OPS

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA
PLAZA ASSOCIATES, a Pennsylvania partnership

By MAGUIRE/THOMAS PARTNERS-
PHILADELPHIA LTD , a California limited
partnership, a general partner

By THOMAS DEVELOPMENT PARTNERS
PHASE I, INC , a California
corporation, its general partner

By

Name
Title

James A Thomas
President

EXHIBIT A

PERFORMANCE SPECIFICATIONS

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE ("**Agreement**") is made and entered into as of the 11th day of March, 1994, by and between Maguire/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES, a Pennsylvania partnership ("**Landlord**") and REALCOM OFFICE COMMUNICATIONS, INC., a Georgia corporation ("**Tenant**").

1. Recitals.

1.1 Lease. Landlord and Realcom Communications Corporation, a Delaware corporation, ("**Realcom**") have entered into that certain Lease dated as of July 1, 1987, as amended by that certain Amendment to Lease dated as of June 12, 1989 between Landlord and Contel Office Communications, Inc. ("**Contel**"), Realcom's successor-in-interest (collectively, the "**Lease**") for premises located in an office building in Philadelphia, Pennsylvania, all as more particularly described therein. All terms defined in the Lease shall have the same meaning when used in this Agreement, unless a different meaning is clearly expressed herein.

1.2 Amendment. Landlord and Tenant, the successor-in-interest to both Realcom and Contel, desire to amend the Lease to reflect a different description of the Premises due to Tenant's occupancy of 4,466 square feet of Rentable Area on the Nineteenth floor (19th) floor of the Building (the "**19th Floor Premises**") rather than the same area on the eighteenth (18th) floor of the Building (as specified in the Lease), a reduction in the Basic Rent payable in connection with the 19th Floor Premises, a termination of the Lease with respect to the portion of the Premises located on the forty-first floor of the Building (the "**41st Floor Space**"), and to otherwise modify and amend the Lease as set forth hereinbelow.

2. Description of Premises.

Section 1.1 of the Lease is hereby amended such that the phrase "4,466 square feet of Rentable Area located on floor numbered 18" is hereby deleted and the phrase "4,466 square feet of Rentable Area located on floor numbered 19" is hereby inserted in lieu thereof. Page 2 of Exhibit "B" attached to the Lease is also hereby amended such that the phrase "18th floor" is hereby deleted and the phrase "19th floor" is hereby inserted in lieu thereof.

3. Reduction in Basic Rent.

Effective as of April 1, 1994, the Basic Rent payable by Tenant to Landlord for the 19th Floor Premises is hereby decreased to the sum of Ninety Thousand Thirty-Six and 00/100 Dollars (\$90,036) per annum, payable in equal monthly

installments of Seven Thousand Five Hundred Three and 00/100 Dollars (\$7,503) in advance on the first day of each and every calendar month throughout the term of the Lease .

4. Termination of 41st Floor Space.

Upon Tenant's complete vacation of the 41st Floor Space in accordance with Article 25 of the Lease, the Lease shall be terminated with respect to the 41st Floor Space and Tenant shall have no further obligations under the Lease for such space except for accrued Basic Rent, additional rent or other sums due in connection with such space under the terms of the Lease. After such termination, Tenant's obligations under the Lease with respect to the balance of the Premises shall remain in full force and effect throughout the term of the Lease.

5. Termination of the Lease.

Article 38 of the Lease is hereby deleted and inserted in lieu thereof is the following:

38. Termination. Landlord shall have the right, at its sole discretion, upon not less than forty-five (45) days' prior written notice to Tenant, to terminate the Lease if Landlord can make available for lease to Tenant for the remaining term of the Lease, other space in the Building containing approximately four hundred (400) square feet of area. If Landlord intends to elect to terminate the Lease pursuant to this Article 38, Landlord will use its reasonable best efforts to provide Tenant with advance notice (prior to the foregoing notice) that Landlord anticipates terminating the Lease.

6. Miscellaneous.

6.1 Except as specifically amended or modified herein, each and every term, covenant, and condition of the Lease as amended is hereby ratified and shall remain in full force and effect.

6.2 This Agreement shall be binding upon and inure to the benefit of the parties hereto, their legal representatives, successors and permitted assigns.

6.3 This instrument shall be interpreted and construed in accordance with the law of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

LANDLORD:

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA
ASSOCIATES
a Pennsylvania partnership

By: MAGUIRE/THOMAS PARTNERS-PHILADELPHIA,
LTD.
a California limited partnership
Its General Partner

By: MAGUIRE/THOMAS PARTNERS, INC.
a California corporation.
Its General Partner

By: 
Its _____

V.P.

mg

TENANT:

REALCOM OFFICE COMMUNICATIONS, INC.
a Georgia corporation

By: 
Its _____

PRESIDENT

355 South Grand Avenue
Suite 4500
Los Angeles CA 90071
213 626 3300

Maguire
Thomas
Partners

March 11, 1994

Ward C. Bourdeaux, Jr
Director of Development
Realcom Office Communications, Inc
2030 Powers Ferry Road
Suite 580
Atlanta, GA 30339

Re Amendment to Agreement for Provision of Centralized Telecommunications Services

Dear Mr. Bourdeaux:

As you know, Maguire/Thomas Partners-Philadelphia Plaza Associates, a Pennsylvania partnership ("Owner") and Realcom Communications Corporation, a Delaware corporation ("Realcom") entered into that certain Agreement for Provision of Centralized Telecommunications Services dated as of July 1, 1987 (the "Agreement") for telecommunications services and that certain Lease dated July 1, 1987, as amended by that certain Amendment to Lease dated June 12, 1989 between Landlord and Contel Office Communications, Inc., Realcom's successor-in-interest ("Contel") (collectively, the "Lease"), both of which relate to the Commerce Square office project in Philadelphia, Pennsylvania. Owner and Realcom Office Communications, Inc., a Georgia corporation, the successor-in-interest to Realcom and Contel ("Realcom Office") have elected to amend the Lease pursuant to a Second Amendment to Lease dated as of March 11, 1994 (the "Second Amendment") to provide for, among other things, the termination of the Lease if Owner makes available four hundred (400) square feet of space (the "New Space") in the Building (as defined therein) for the remaining term of the Lease. Owner and Realcom Office have also elected to amend the Agreement to cancel Realcom Office's option to terminate the Agreement and to amend Section 7.6 of the Agreement such that a termination of the Lease shall not be deemed a termination of the Agreement provided that Realcom Office enters into a new lease with respect to the New Space. This letter agreement amends the Agreement accordingly.

Owner and Realcom Office hereby amend the Agreement to delete Section 7.2 of the Agreement "Termination by Realcom" and any references to Section 7.2 contained within the Agreement. Owner and Realcom Office also hereby amend Section 7.6 of the Agreement such that if Owner makes available the New Space as set forth in Section 5 of the Second Amendment and Landlord terminates the Lease as a result thereof, such termination shall not be deemed to be a termination of "Realcom's lease of space in the Building" under Section 7.6 of the Agreement, provided that Realcom Office enters into a new lease with respect to the New Space.

Ward C Bourdeaux, Jr
March 11, 1994
Page 2

Except as specifically amended as set forth above, each and every term, covenant, and condition of the Agreement, as amended, is hereby ratified and shall remain in full force and effect

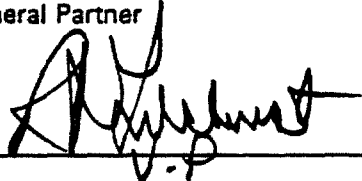
IN WITNESS WHEREOF, the parties hereto have executed this letter agreement as of the date first above written

LANDLORD

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES
a Pennsylvania partnership

By MAGUIRE/THOMAS PARTNERS-PHILADELPHIA, LTD
a California limited partnership
Its General Partner

By MAGUIRE/THOMAS PARTNERS, INC
a California corporation
Its General Partner

By 
Its _____

cc
pkj

REALCOM OFFICE

REALCOM OFFICE COMMUNICATIONS, INC
a Georgia corporation

By 
Its President

October 1, 1993

Maguire/Thomas Partners-Philadelphia Plaza
Associates ("Landlord")
355 South Grand Avenue, Suite 4500
Los Angeles, California 90071

The Mitsubishi Trust and Banking
Corporation, New York Branch ("Mortgagee")
New York Branch
520 Madison Avenue
New York, New York 10022

Re Lease dated July 1, 1987 (the "Lease") between
Landlord and Realcom Communications Corporation
("Tenant") for certain premises described in the
Lease (the "Premises")

Gentlemen

The undersigned, as Tenant, hereby confirms

1. Tenant has accepted possession of the entire
Premises and is in actual occupancy of the Premises;

2. The improvements and space required to be furnished
by Landlord with respect to the entire Premises and the building
of which the Premises is a part have been completed in all
respects required by the Lease (including all Tenant Work
required under the Landlord's Work Letter as defined in the
Lease), and there are no sums due Tenant by Landlord in
connection with work performed in the Premises;

3. Landlord has fulfilled all its obligations of an
inducement nature,

4. There are no actual or pending claims for offsets
or credits against rentals or for any other monetary or other
claim against the Landlord under the Lease, nor have rentals been
prepaid except as provided by the terms of the Lease,

5. The Commencement Date (as defined in the Lease)
occurred on April 1, 1987 The Occupancy Date (as defined in the

Maguire/Thomas Partners-Philadelphia
Plaza Associates
The Mitsubishi Trust and Banking
Corporation, New York Branch
October 1, 1993
Page 2

Lease) occurred on April 1, 1987. Rental at the rate provided by the Lease is payable in accordance with its terms, all minimum rent and additional rent have been paid through September, 1993, the current minimum monthly rent under the Lease is Thirteen Thousand Six Hundred Thirty-Four and 00/100 Dollars (\$13,634.00) and the expiration date of the initial term of the Lease is March 31, 1997;

6. Tenant has no notice of a prior assignment, hypothecation, or pledge of the Lease or the rent payable thereunder,

7. Tenant has no option to extend or renew the terms of the Lease for any period of time except as expressly provided in Section 3.5 of the Lease,

8. Tenant has no option to purchase, right of first offer, or right of first refusal with respect to the Premises or the property of which the Premises is a part,

9. Attached hereto is a true, correct and complete copy of the Lease and a list of the documents constituting the Lease. Except as set forth in the attached list of documents, the Lease has not been modified, altered, or amended, is in full force and effect, and is a binding and enforceable obligation of Tenant,

10. To the best of the knowledge of the undersigned, neither Landlord nor Tenant is in default in the performance of any covenant, agreement, or condition contained in the Lease,

11. Neither Tenant nor any guarantor of Tenant's obligations under the Lease is the subject of any bankruptcy, insolvency or similar proceeding in any Federal, state or other court or jurisdiction,

12. Tenant has not and shall not pay any rental or other sum due under the Lease more than one (1) month in advance of the due date thereof set forth in the Lease,

13. Landlord has not assumed or agreed to perform any obligation of Tenant or any affiliate thereof under any other

Maguire/Thomas Partners-Philadelphia
Plaza Associates
The Mitsubishi Trust and Banking
Corporation, New York Branch
October 1, 1993
Page 3

lease or other agreement to which Tenant or its affiliates is a party,

14 Upon receipt by Tenant of a notice from Mortgagee that Landlord has defaulted under the Mortgage held by Mortgagee and has failed to cure the default within any applicable grace period set forth in such Mortgage, and requesting Tenant to henceforth make all payments under the Lease to Mortgagee, Tenant agrees to thereafter pay directly to Mortgagee all rentals and other sums due and to become due under the Lease, and

15 Tenant has deposited Zero Dollars (\$0 00) with Landlord in escrow for a security deposit

The undersigned understands that this letter is being relied upon by the addressees of this letter in connection with a loan secured by the property of which the premises is a part

Very truly yours,

By 

JSG.MEH:cl/13695-V
1016.013 (1016 012)
Enclosure

REALCOM COMMUNICATIONS CORPORATION

- 1 Lease between Landlord and Tenant dated as of July 1, 1987.
2. Memorandum of Lease Commencement dated as of January 8, 1988
- 3 Amendment of Lease between Landlord and Tenant dated as of June 12, 1989

355 South Grand Avenue
Suite 4500
Los Angeles CA 90071
213 626 3300

lease file
Memorandum

date April 6, 1994

VIA Int. Off. Mail

to Kevan Richards/Stella Lewis

cc John Moe [Memo Only]
Keri Heier [Memo Only]

**Maguire
Thomas
Partners**

from Jim Izzo 

re Commerce Square I - Lender's Consent to Lease Amendments/Subleases

Attached please find a letter from The Mitsubishi Trust and Banking Corporation indicating their consent to the following Lease Amendments and/or Subleases

- ☐ Diversified Search, Inc
 - First Amendment to Lease
- ☐ Realcom Communications, Inc
 - Second Amendment to Lease
 - Amendment to Agreement for Centralized Telecommunications Services

Please make sure that a fully executed copy of these agreements are sent to me and I will forward them to The Mitsubishi Trust and Banking Corporation to fulfill the consent/compliance provisions of the Loan Agreement for the project. Should you have any questions please do not hesitate to contact me.

Attachments

APR - 8

AMENDMENT OF LEASE

THIS AGREEMENT is entered into as of this 12th day of June, 1989, by and between MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES ("Landlord") and CONTEL OFFICE COMMUNICATIONS INC ("Tenant")

1 Recitals

Landlord and Realcom Communications Corporation (Tenant's predecessor-in-interest) have previously entered into a lease dated as of July 1, 1987 (the "Lease") for those certain premises (the "Premises") more particularly described in the Lease. The parties desire to amend the Lease so as to provide for relocation upon the terms and conditions set forth below

2 Amendment

The following Article 38 is hereby added to the Lease

38 Relocation Landlord shall have the right, with respect to that portion of the Premises located on the 41st floor of the Building (the "41st Floor Space") at its option, upon not less than thirty (30) days prior written notice to Tenant, to relocate Tenant and to substitute for the 41st Floor Space other space in the Building containing at least as much Rentable Area as the 41st Floor Space. Such substituted Premises shall be contiguous to the building management office of the Project. In connection with such relocation, the parties shall execute a letter agreement designating the premises selected by Landlord for the substituted Premises as the Premises under the Lease. Such substituted Premises shall be rented at a rental rate no higher than that of the 41st Floor Space including all rent adjustments pursuant hereto, and shall be improved by Landlord, at Landlord's expense, with decorations, fixtures and improvements at least equal in quality to those in the 41st Floor Space. Landlord shall pay or reimburse Tenant (promptly after receipt of a copy of an applicable invoice) for all costs reasonably incurred by Tenant in connection with or relating to such substitution of the 41st Floor Space,

including, but not limited to, the following relocation expenses for furniture, computers, office equipment and telecommunications equipment. Notwithstanding anything herein to the contrary, Tenant shall not be obligated to relocate until the substituted Premises are complete and ready for occupancy by Tenant consistent with the terms of this Article 38

3 Limitation of Amendment

Except as expressly modified herein, the Lease shall remain in full force and effect

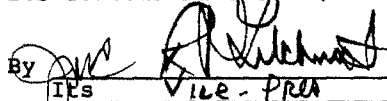
IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written

LANDLORD

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES
a Pennsylvania partnership


By MAGUIRE/THOMAS PARTNERS-PHILADELPHIA, LTD
a California limited partnership
Its General Partner

By MAGUIRE/THOMAS PARTNERS, INC
a California corporation
Its General Partner

By 
Its VILE - PRES

TENANT

CONTEL OFFICE COMMUNICATIONS INC
a Delaware corporation

By 
Its PRESIDENT

COMMUNICATIONS SERVICES AND EQUIPMENT AGREEMENT

BETWEEN

REALCOM COMMUNICATIONS CORPORATION

AND

MAGUIRE/THOMAS PARTNERS-
PHILADELPHIA PLAZA ASSOCIATES

FOR

COMMERCE SQUARE

AGREEMENT FOR PROVISION OF CENTRALIZED
TELECOMMUNICATIONS SERVICES

This Agreement is made as of the 1st day of July, 1987,
by and between Maguire/Thomas Partners-Philadelphia Plaza Associates
("Owner"), a Pennsylvania partnership, and RealCom Communications
Corporation ("RealCom"), 8280 Greensboro Drive, McLean, Virginia 22102, a
corporation organized under the laws of the ~~Commonwealth of Virginia~~
State of Delaware

[Handwritten initials]
INITIAL

WHEREAS, RealCom is engaged in the business of providing real estate
owners and their building occupants/tenants with centralized
communications services, and

WHEREAS, Owner is owner of a two-phase, two-tower project (the
"Project") located at Commerce Square, Philadelphia, Pennsylvania. This
Agreement shall apply to Tower I (the "Building"), and

WHEREAS, Owner wishes to make communications services available to
the tenants of the Building ("Tenants") and RealCom wishes to provide such
communications services,

NOW THEREFORE, the parties agree as follows

1 Grant of Exclusive Right to Provide Communications Services

1.1 Owner hereby grants RealCom the exclusive right to market,
install and operate voice, data, facsimile and video communication
services to the Tenants and occupants in the Building through a
centralized switch (PBX) or local area network shared among Tenants of the
Building. RealCom may, on a non-exclusive basis, offer, market, install
and operate non-centralized communications equipment and other
communications services to the Tenants and occupants in the Building

1.2 Notwithstanding the exclusive grant described in Section 1.1
above, Tenants and occupants of the Building will not be precluded from
obtaining communications services or equipment for themselves from a
local telephone company or from other service providers or equipment
vendors

2 RealCom Service Obligations

RealCom will provide as initial services PBX-type features and
functions, local exchange access through the local telephone company, and
long distance service in accordance with the performance specifications
set forth in Exhibit A. RealCom shall provide initial services in
accordance with the performance specifications on the date of first
service requested by a customer of RealCom in the Building

RealCom Marketing and Tenant Service Contract Obligations

3 1 RealCom to Contract with Building Tenants

RealCom will market to and contract directly with Tenants of a Building for the provision of the communications services. Payment for communications services provided to Tenants will be made by the Tenants directly to RealCom or RealCom's designee. Owner and its affiliated entities in the Building, including the Building management and leasing agent, shall utilize RealCom's centralized communications services, provided the quality of such services is within accepted industry standards and the same are provided at ~~reasonably competitive~~ rates, no greater than the rates in RealCom's published price list.

4 | RCT
INITIAL

3 2 Cooperation in Marketing

RealCom will market the communications services in the Building, and will provide marketing staff and appropriate supporting materials. To assist RealCom in marketing the communications services, Owner will provide timely introductions to RealCom so that agreements may be facilitated with Tenants. RealCom will have a marketing representative available at reasonable times and upon reasonable notice to meet with prospective Tenant customers during the lease-up period. Notice required in the preceding sentence shall not be less than 24 hours and shall be provided during normal business hours. Owner will also make available to RealCom relevant information concerning the present and anticipated future tenants of the Building, which RealCom shall keep in confidence. Until such time as a prospective Tenant customer's decision to lease space in a Building is publicly announced, RealCom may not, without the prior written approval of Owner, disclose the identity of the prospective tenant customer referred to it by Owner to a third party, except to a public utility for purposes of coordinating the services to be provided by RealCom and shall not so disclose to a public utility any sooner than is necessary for the coordination of services to be provided to the customer. Owner may engage in marketing efforts of its own for services offered by RealCom to Tenants in the Building directly with the Tenants, provided that RealCom will not be bound by any representations made by Owner unless such representation was approved in advance by RealCom in writing.

3 3 Tenant Billing and Collections

RealCom will be responsible for Tenant billing and collections. In the event that RealCom intends to terminate a service agreement due to a Tenant's failure to perform its obligations thereunder, RealCom will notify Owner thereof as soon as reasonably possible but not later than ten (10) working days in advance. If Owner intends to evict any Tenant using communications services, Owner will so notify RealCom as soon as reasonably possible but not later than ten (10) working days in advance.

1

Installation and Operation

4 1 Owner will construct at its expense the facilities necessary for provision of RealCom's services identified in Exhibit B. RealCom's placement of such facilities shall be governed by the provisions of Section 3.3 of the lease attached hereto as Exhibit C.

4 2 RealCom will install, operate, maintain, repair or replace at its expense all necessary switching equipment, supplemental HVAC and supplemental battery backup beyond that provided by Owner under Exhibit B, local wiring, station wiring, and station equipment for RealCom's services, other than equipment paid for or supplied by RealCom customers.

4 3 RealCom will have access to all telephone closets and distribution frames in accordance with all of Owner's security and maintenance procedures, and Tenants' security procedures where applicable. Tenants and their vendors may be permitted by Owner to install riser shafts, riser cable, and distribution frames in telephone closets where such items can be reasonably accommodated.

4 4 RealCom will provide during normal business hours an on-site communications systems specialist to work directly with Tenant representatives for training, equipment changes and service support.

4 5 Where requested by RealCom, Owner will grant RealCom non-exclusive access and the right to use, at a charge no greater than Owner's and subject to the rights of any public utility, to all riser cable, local wiring, station wiring, station equipment, and distribution frames in which Owner has a right to use for so long as the use of the wiring is for a customer of RealCom's communication services. Owner will grant RealCom exclusive access and the right to use at no charge all such facilities they are abandoned by a Tenant or communications service vendor (including the local telephone company) for so long as the use of the wiring is for a customer of RealCom's communications services, and subject to any continuing rights of any public utility and Owner's rights to remove and/or dispose of such facilities pursuant to its lease or agreement with the Tenant or vendor.

4 6 Owner will grant, at times reasonably designated by Owner, RealCom non-exclusive access and the right to use the Building common areas, in accordance with Building security and maintenance procedures, at no expense (except freight elevator charges, if any) for the purpose of installing and maintaining at RealCom's expense RealCom equipment necessary for RealCom's services.

4 7 RealCom may erect and maintain communication antenna(s) and supporting structures, including enclosures, protective fences, guy-wires, towers, buildings, and accessory and ancillary facilities, on the exterior rooftops of the Building or other suitable locations, subject to Owner's prior written approval, which may be withheld in Owner's sole discretion, and subject to any and all governmental restrictions.

4 8 Owner, its agents, employees and contractors will not perform, or give permission to others to perform, any installation, removal, relocation, maintenance repair or modification on the RealCom equipment, cabling, or wiring comprising the RealCom communications services, except in order to respond to emergencies. Owner will use reasonable efforts to notify RealCom prior to taking emergency action.

5 Office and Switchroom Lease

IRG
INITIAL

RealCom will execute a lease in the form attached as Exhibit C (the "Lease") with respect to its office and switchroom space. In the event of any conflict between the Lease and this Agreement, the terms of this Agreement shall control.

6 Procurements from Underlying Carriers and Equipment Providers

6 1 At RealCom's reasonable request, Owner will execute letters of agency or other documents required by law or the service carrier to authorize RealCom to procure necessary goods and services from the local telephone company, or other underlying carrier, provided that RealCom shall indemnify, protect, defend and hold Owner harmless from and against any liability incurred arising out of any such agency or other documents and the execution thereof.

6 2 To assist RealCom in the procurement and financing of items to be provided by RealCom in the satisfaction of the obligations hereunder, Owner will execute one or more waivers of lien on such equipment.

7 Term and Termination

7 1 Term

7 1 1 The initial term of this Agreement will be ten years commencing on the Commencement Date under the Lease. Unless and until notice of termination is given by either party, for any or no cause, as provided in paragraph 7 1 2 below, the term of this Agreement will extend automatically for additional consecutive one-year terms.

7 1 2 Except as provided in paragraph 7 1 3 below, either party may terminate this Agreement at will at the end of the initial term, or of any one-year extension term, by providing the other party with written notice of termination one year in advance.

7 1 3 RealCom may, with the prior approval of Owner, enter into communications service agreements with Tenants of the Building which agreements have a term which extends beyond the term of this Agreement, provided that such term will not exceed the term of the Tenant's lease of Building space from Owner. In such case, the term of this Agreement will be automatically extended to be coterminous with the term of such communications service agreement, unless this Agreement is terminated in accordance with paragraphs 7 2, 7 3, 7 4, 7 5 or 7 6.

7 2 Termination by RealCom

7 2 1 RealCom may terminate this Agreement if its communications services in the Building have not been operated by RealCom with positive annual net operating income (determined in accordance with generally accepted accounting practices) during three (3) consecutive years or if a single Tenant leases more than 25% of the Building and such Tenant declines to take from RealCom communications services. If RealCom wishes to so terminate, it must (i) give one hundred eighty (180) days written notice to Owner, including certified accounting records justifying the termination, and (ii) use reasonable efforts during the 180-day notice period to find a replacement service provider.

7 2 2 In the event RealCom terminates this Agreement in accordance with paragraph 7 2 1, RealCom will continue to make communications services available to its contracted Tenants of the Building until alternative (but not necessarily centralized) initial telephone service as set forth in paragraph 2 has been provided to those Tenants (unless the offer of suitable alternative service to such Tenants has been declined) and this Agreement will be extended until such date.

7 3 Breach by RealCom or Owner

A breach of this Agreement by either party will be cause for termination of this Agreement by the non-breaching party. The breaching party will be given five (5) days from receipt of notice of breach to commence a cure and thirty (30) days to complete such cure of its breach prior to a breach becoming grounds for termination (provided that it works diligently to cure such breach). However, if the breach cannot be cured by diligent prosecution within such 30-day period, the cure period shall be extended so long as such breaching party is continuing to diligently prosecute such cure. If the breaching party fails to commence or complete a cure within the specified period, the non-breaching party may terminate this Agreement upon ninety (90) days prior notice to the other party.

During such 90-day notice period Owner and RealCom shall use reasonable efforts to find a replacement service provider. RealCom shall have ten (10) days to cure failure to pay any amounts due Owner hereunder following receipt of notice of such failure.

~~Upon the effective date of any termination by Owner due to a breach of this Agreement by RealCom, RealCom shall reimburse Owner for the unamortized portion of Owner's costs in constructing the facilities as required herein and RealCom's premises under the lease, which for those purposes shall be amortized on the basis of a fifteen (15) year amortization schedule. The termination rights set forth in this paragraph are not intended to limit the right of the parties to seek other remedies at law or equity, provided such remedies are not otherwise limited hereunder.~~

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7 4 Termination Due to Destruction or Condemnation

If (i) equipment requisite to the provision of communication services is destroyed and cannot be repaired or replaced within one hundred twenty (120) days, or (ii) local exchange service is interrupted and cannot be restored within one hundred twenty (120) days, or (iii) all or substantially all of the Building is destroyed or condemned, either party may terminate this Agreement by written notice to the other within thirty (30) days of such destruction, interruption or condemnation without further liability hereunder. If such termination is due to condemnation, RealCom will have the right to seek an award for damages to RealCom so long as such award does not diminish the award to which Owner is entitled.

7 5 Termination Due to Government Restriction of RealCom Services

If any government authority prohibits or limits the provisions of shared tenant communications services so that such services become uneconomical to provide (including a requirement that RealCom hard-wire its switches or pay access charges on local lines used to provide local service to RealCom's customers in the Building), RealCom may terminate this Agreement by written notice given ninety (90) days in advance. If RealCom terminates this Agreement in accordance with this paragraph, RealCom will, unless prohibited by law, continue to make communications services available to its contracted Tenants of the Building until alternative (but not necessarily centralized) initial telephone service as set forth in paragraph 2 has been provided to those Tenants (unless the offer of suitable alternative service to such Tenants has been declined) and this Agreement will be extended until such date.

7 6 If either this Agreement or RealCom's lease of space in the Building terminates, the other agreement automatically shall terminate concurrently.

7 7 Rights at Termination

7 7 1 Upon expiration of the term of this Agreement or termination of this Agreement by RealCom in accordance with paragraph 7 2, as a result of RealCom's breach under paragraph 7 3, or due to termination of this Agreement under paragraphs 7 4, 7 5 or 7 6, Owner shall have the option to (i) purchase any and all equipment owned by RealCom within the Building for the fair market value of such equipment, and (ii) cause RealCom to assign to Owner or its nominee RealCom's lease rights and obligations with respect to any and all RealCom equipment in the Building not owned by RealCom. Upon termination of this Agreement as a result of Owner's breach under paragraph 7 3, Owner shall have the option to (x) purchase any and all equipment owned by RealCom within the Building for one hundred forty percent (140%) of the fair market value of such equipment and (y) cause RealCom to assign to Owner or its nominee (to the extent RealCom's lease rights and obligations with respect to any and all RealCom assignable) equipment in the Building not owned by RealCom. Upon termination of this Agreement as a result of Owner's breach under paragraph 7 3, in any event,

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er shall pay to RealCom any damages to which RealCom is then entitled
law or equity

7 7 2 With respect to any equipment that Owner elects not to
phase, RealCom shall remove such equipment, including by way of example
not limitation, switches, computers, telephones, terminals,
distribution frames, rising cabling, and lateral wiring, provided RealCom
does not remove such equipment if the cost of such removal is unreasonably
expensive or if the equipment left in place is usable or compatible with
existing or replacement services in the Building and does not interfere
with any other services in the Building. RealCom shall repair all damage
to the Building resulting from such removal. RealCom may abandon in place
distribution frames, riser cabling and lateral wiring unless removal
is required by Owner, subject to the limitations set forth in the
last sentence of this paragraph 7 7 2

No Property Rights Granted

The provisions of Section 9, entitled "Subordination and Non-
disturbance," notwithstanding, Owner agrees that all RealCom wiring and
equipment, including, by way of example and not limitation, switching
equipment and any special environmental equipment installed by RealCom,
personal property (not fixtures) and will not be subject to any
landlord's lien, provided that all improvements paid for by Owner shall be
considered real property or fixtures and shall be subject to a landlord's
lien as applicable

Subordination and Non-Disturbance

This Agreement shall be subordinate and subject to all ground and
existing leases and to any first mortgage covering the Building, that
now or may hereafter affect the Building, and to all renewals,
modifications or replacements thereof, provided, however, that with
respect to any existing ground lease, underlying lease or first mortgage,
ninety (90) days after RealCom executes this Agreement, and, with
respect to any future ground lease, underlying lease or first mortgage, on
or before the effective date thereof, Owner shall use reasonable efforts
to obtain from its ground lessor, underlying lessor or first mortgagee a
written agreement with RealCom which shall be binding on their respective
successors and assigns and which shall provide that so long as RealCom is
not in default of any of its obligations under this Agreement (beyond any
applicable grace and/or cure periods) (i) RealCom shall not be joined as a
defendant in any proceeding which may be instituted to foreclose or
enforce any mortgage, and (ii) RealCom's possession and use of the
premises, in accordance with the provisions of this Agreement shall not be
affected or disturbed by reason of the subordination to or any
modification of or default under the ground lease, underlying lease or
first mortgage. RealCom shall be liable for any reasonable expenses
necessary to obtain the documents identified in the preceding sentence
from the mortgagee, purchaser at foreclosure or grantee of a deed in lieu of
foreclosure or any successor in interest shall succeed to the rights of

er under this Agreement, whether through possession, surrender, assignment, subletting, judicial or foreclosure action, or delivery of a deed or otherwise, RealCom will attorn to and recognize such successor as the building owner and the successor will accept such attornment and recognize RealCom's rights of possession and use in accordance with the provisions of this Agreement. This clause shall be self-operative and no further instrument of attornment or recognition shall be required.

Mechanics' Lien

During the term of this Agreement, RealCom shall within thirty (30) days of notice, discharge by payment, bond or otherwise, mechanics' liens filed against the Building or any portion thereof for work, labor, services or materials which have been performed or furnished for or on behalf of RealCom, except when the mechanics' liens are filed by a contractor, subcontractor, materialman or laborer of Owner, in which event RealCom shall discharge the liens by payment, bond or otherwise.

Indemnification and Limitation of Liability

11.1 RealCom shall indemnify, protect, defend, and hold harmless Owner, its officers, directors, partners, agents and employees, and any Affiliate of Owner, from and against any and all claims, suits, demands, liability, damages and expenses, ~~including attorneys' fees and costs, if arising from claims for personal injury or damage to real or tangible personal property arising from or in connection with RealCom's provision of services hereunder or the conduct of its business with respect to the Building or from any activity performed or permitted by RealCom in or on the Building or any other part of the Project during the term of this Agreement or arising from any breach or default in the performance of its obligation on RealCom's part to be performed under the terms hereof (other than lapse of any applicable cure period), or arising from any other negligence, fault or omission of RealCom or any of its officers, agents, contractors, employees, licensees or invitees.~~ In the event a claim is made against Owner or any Affiliate of Owner which would be covered by the foregoing indemnity obligation of RealCom, Owner shall promptly notify RealCom in writing of the claim and RealCom shall have the right to participate in the defense of any such claim utilizing counsel of its own selection, and Owner and its counsel shall cooperate with RealCom and its counsel in connection with the prosecution of any such defense. The indemnity provided in this Section 11.1 shall not apply to any settlement with which RealCom does not concur.

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11.2 Owner will not be liable to RealCom for loss of or damage to the communications services, except that Owner will be liable for claims for bodily injury or for the cost of repair or value of equipment lost or damaged as a result of Owner's negligence, intentional acts, or unauthorized installation or maintenance. Owner's liability for damages to RealCom from any cause whatsoever, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise, and whether or not such damages were foreseen or unforeseen,

The foregoing indemnity shall also include attorneys' fees and costs provided Owner elects to give RealCom sole control of the defense and related settlement negotiations.

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shall be limited to the sum of \$500,000, except that this limitation of liability shall not apply to any claims to the extent they would be insurable under insurance Owner is required to maintain under this Agreement or the Lease (without regard to self-insurance rights) The foregoing limitation of liability also shall not apply to claims for personal injury or damage to real or tangible personal property In no event will Owner be liable for any damages caused by RealCom's failure to perform as required hereunder or for any lost profits, lost savings or other consequential damages, even if Owner has been advised of the possibility of such damages Owner, its officers, directors, partners, agents and employees, and any Affiliate of Owner, shall not be responsible or liable for (a) the provision and operation of (or the failure of RealCom to provide and operate) services and equipment to Tenants in accordance with any agreement RealCom may now or hereafter have with any Tenant or (b) any activities whatsoever of RealCom, its employees and agents The preceding sentence neither affects nor is affected by Section 11 f above RealCom's agreements with individual Tenants shall contain the following provisions

Neither Customer's Landlord nor Landlord's officers, agents or employees, the building management nor any party in interest to the lease under which Customer occupies space in the Building shall have any liability to Customer arising from the provision or operation of the services and service-related equipment referred to herein, or the interruption or failure thereof from any cause whatsoever

CUSTOMER HEREBY ACKNOWLEDGES THAT CUSTOMER AND REALCOM ARE THE SOLE PARTIES TO THIS AGREEMENT, AND THAT REALCOM IS ACTING AS A PRINCIPAL AND NOT AS AN AGENT OR PARTNER OF THE OWNER OF THE BUILDING OR ANY PARTY IN INTEREST TO THE LEASE UNDER WHICH CUSTOMER OCCUPIES SPACE IN THE BUILDING IN THE EVENT OF A BREACH OF THIS AGREEMENT BY REALCOM, OR OTHER CLAIM RELATED TO OR UNDER THIS AGREEMENT, CUSTOMER'S ONLY RECOURSE SHALL BE AGAINST REALCOM, AND CUSTOMER SHALL HAVE NO CLAIM OR CAUSE OF ACTION WHATSOEVER AGAINST SAID BUILDING OWNER OR OTHER PARTY IN INTEREST TO THE LEASE

BUILDING OWNER SHALL NOT HAVE ANY OBLIGATIONS OR LIABILITIES WHATSOEVER UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE OBLIGATION TO PROVIDE ANY OF THE SERVICES COVERED BY THIS AGREEMENT, AND NO REPRESENTATIONS OR WARRANTIES ARE BEING MADE BY BUILDING OWNER WITH RESPECT TO THIS AGREEMENT OR ANY SERVICES HEREUNDER THE PROVISIONS OF THIS AGREEMENT ARE SEPARATE AND INDEPENDENT FROM THE PROVISIONS OF CUSTOMER'S LEASE OF SPACE IN THE BUILDING AND SHALL NOT AFFECT CUSTOMER'S OBLIGATIONS UNDER SUCH LEASE, AND WITH RESPECT TO THE RELATIONSHIP BETWEEN CUSTOMER AND

BUILDING OWNER, IN THE EVENT OF ANY CONFLICT BETWEEN THIS AGREEMENT AND CUSTOMER'S LEASE OF SPACE IN THE BUILDING, THE PROVISIONS OF THE LATTER SHALL CONTROL AS USED IN THIS PARAGRAPH, "BUILDING OWNER" SHALL MEAN THE OWNER AND MANAGER OF THE BUILDING AND THEIR RESPECTIVE PARTNERS, OFFICERS, EMPLOYEES, AGENTS, CREDITORS AND MORTGAGEES

~~Prior to entering into an agreement with any Tenant for services in the Building, RealCom shall present such agreement to Owner for Owner's review and approval with respect to the above provisions, and Owner may disapprove any agreement not containing such provisions or other provisions having substantially the same substantive effect.~~

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11.3 RealCom's liability for damages to Owner from any cause whatsoever, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise, and whether or not such damages were foreseen or unforeseen, shall be limited to the sum of \$500,000, except that this limitation of liability shall not apply to any claims to the extent they would be insurable under insurance RealCom is required to maintain under the Agreement or the Lease (without any regard to self-insurance rights). The foregoing limitation of liability also shall not apply to claims for personal injury or damage to real or tangible personal property, ~~nor affect or limit the indemnification provisions of Section 11.1 above, nor affect RealCom's obligation, if any, to reimburse Owner for unamortized improvements pursuant to Section 7.3 above.~~ In no event will RealCom be liable for any damages caused by Owner's failure to perform as required hereunder or for any lost profits, lost savings, or other consequential damages ~~claimed by Owner, even if RealCom has been advised of the possibility of such damages.~~

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11.4 Neither RealCom nor Owner, nor their parents, nor the officers, directors, employees, agents, or contractors of RealCom, Owner or their parents, nor any of their parents' owners or Affiliates, nor the officers or directors of their parents' owners or Affiliates, will be liable in any way for delay, failure in performance, loss or damage due to any of the following force majeure conditions: fire, strike, embargo, explosion, power blackout, earthquake, volcanic action, flood, war, water, the elements, labor disputes, civil disturbances, government requirement or regulation, order of military authorities, acts of God or public enemy, inability to secure raw materials beyond the party's reasonable control, inability to secure service, equipment or transportation facilities beyond the party's reasonable control, acts or omissions of carriers, or other causes beyond the party's reasonable control, whether or not similar to the foregoing. Inability to pay amounts due shall not constitute a force majeure condition.

11.5 Owner and RealCom are the only intended beneficiaries of this agreement. No right is hereby created in other entities, including Tenants of the Building.

11 6 EXCEPT AS SPECIFICALLY MADE HEREIN, NEITHER OWNER NOR REALCOM MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AND EACH SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE

11 7 For purposes of this Agreement, the term Affiliate means a Person directly or indirectly, through one or more intermediaries, Controlling, controlled by or under common Control with the party. The word "Control," as used in the immediately preceding sentence, means with respect to a Person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person. The word "Person" means and individual, partnership, trust, corporation, firm or other entity

12 Insurance

12 1 RealCom agrees that during the term of this Agreement it will maintain insurance as required pursuant to the terms of the Lease

12 2 From and after the date hereof, Owner shall maintain insurance as required pursuant to the terms of the Lease

13 Permits and Licenses

RealCom will obtain any and all permits and licenses necessary for the installation and provision of the communications services. Owner will obtain all permits and licenses necessary for the satisfaction of its obligations hereunder. Each party will cooperate with the other in obtaining these permits or licenses

14 No Joint Venture or Partnership

This Agreement is not intended to create a joint venture or partnership between the parties and neither party is authorized to act as the agent for the other party, except as specifically provided by a letter of agency creating such agency relationship

15 Right of First Refusal as to Tower II

RealCom shall have the right of first refusal to provide centralized communications services to Tower II of the Project, provided (i) Owner has the right to grant RealCom the right to provide communications services to Tower II at the time RealCom elects to exercise such right, and (ii) RealCom has provided communications services to Tower I in accordance with the terms of this Agreement, including the performance specifications set forth in Exhibit A

16 Use of Trademarks

Neither party will have the right under this Agreement to use any trade name or mark of the other, including but not limited to the name of the Building, in connection with any product, service, promotion or publication without the written consent of the other party

17 Applicable Law

This Agreement, and all matters regarding the interpretation and/or breach hereof, will be governed and determined in accordance with the laws of the Commonwealth of Pennsylvania

18 Notices

Any notice, request, communication or demand under this Agreement shall be in writing and shall be considered properly delivered when addressed as hereinafter provided, and is (i) served personally, (ii) registered or certified (return receipt requested) and deposited in a United States general or branch post office, or (iii) sent by a reliable private express mail carrier. Any notice, request, communication or demand by RealCom to Owner shall be addressed to Owner at 1299 Ocean Avenue, Suite 1000, Santa Monica, California 90401, with copies addressed to Owner's management representative at the Building, until otherwise directed in writing by Owner and, if requested in writing by Owner, simultaneously served on or sent to Owner's first mortgagee at the address specified in such request. Any notice, request, communication or demand by Owner to RealCom shall be addressed to the Legal Department, RealCom Communications Corporation, 8280 Greensboro Drive, Suite 500, McLean, Virginia 22102, with copies addressed to RealCom's telecommunications system specialist at the Building, until otherwise directed in writing by RealCom. Rejection or other refusal to accept a notice, request, communication or demand, or the inability to deliver the same because of a changed address of which no notice was given, shall be deemed to be receipt of the notice, request, communication or demand sent

19 Assignment

19.1 Except as provided for below, this Agreement is not assignable by either party without the prior written consent of the other party

19.2 RealCom may, ~~with~~ ^{without} Owner's consent, assign this Agreement to an Affiliate as defined in paragraph 11.7

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19.3 Owner may assign this Agreement in connection with a sale of the Building or a transfer of Owner's interest in the Building, and Owner may assign this Agreement to an Affiliate as defined in paragraph 11.7

Subcontracting

RealCom may subcontract any or all of the construction and installation work to be performed by it under the terms and conditions of this Agreement, but will retain responsibility for the work subcontracted, provided that Owner shall have the right to approve any subcontractor, such approval shall not be unreasonably withheld. RealCom shall perform all work within the Building in such a manner as to ensure labor harmony.

General

21.1 Any supplement to or modification or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both parties.

21.2 If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will not be affected. Each term and provision hereof will be valid and enforced to the fullest extent permitted by law.

21.3 This is the entire agreement of the parties relating to the subject matter hereof. All previous agreements, writings, memoranda, understandings or discussions between or among the parties to this Agreement are merged herein and superseded hereby.

21.4 Both parties agree to comply with all applicable federal, state and local laws in performing their obligations under this Agreement.

21.5 This Agreement shall bind and inure to the benefit of Owner and RealCom and to their respective heirs, executors, administrators, successors and, subject to the provisions hereof, assigns.

21.6 If any action or proceeding is brought by Owner or RealCom to interpret the provisions hereof or to enforce either party's respective rights hereunder, the prevailing party shall be entitled to recover from the unsuccessful party therein all costs incurred by the prevailing party in such action or proceeding, including reasonable attorneys' fees to be taxed by the court having jurisdiction thereof.

21.7 Nothing in this Agreement shall be construed to impose liability on the directors, officers, employees, or representatives of either Owner or RealCom.

21 8 This Agreement is contingent upon execution of an agreement for the provision of communication services by RealCom to IBM within the building

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates(s) indicated below

REALCOM COMMUNICATIONS CORPORATION

By [Signature]
Title President
Date 6/15/87

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA
LAZA ASSOCIATES

By MAGUIRE/THOMAS PARTNERS-PHILADELPHIA, LTD
General Partner

By MAGUIRE/THOMAS PARTNERS, INC
General Partner

By [Signature]
Title ASST SECRETARY
Date 7/1/87

SG/3217 (05/21/87)

LIST OF EXHIBITS

| | |
|-----------|---------------------------------------|
| Exhibit A | Performance Specifications |
| Exhibit B | Facilities to be Constructed by Owner |
| Exhibit C | Space Lease |

EXHIBIT A

PERFORMANCE SPECIFICATIONS

JSG/3217-A (11/25/86)

PERFORMANCE SPECIFICATIONS

RealCom will operate and maintain the in-building communications system, including its long distance voice and data transmission networks, in conformity with the following standards

A Equipment

All equipment, cabling and wiring will be installed and maintained in accordance with manufacturer specifications. RealCom will utilize redundant switching equipment and will provide an uninterruptible power supply to the switch.

B Network Offerings

The network offerings, both the interconnection with the local loop and with RealNet, RealCom's long distance network offering, will be maintained as follows

1 Local Trunking

A P 01 grade of service from the switch will be maintained by RealCom, as determined by the application of industry standard algorithms. In addition, RealCom will enforce, using reasonable efforts, the maintenance, by the local operating company, of local trunks within the published specifications of the local operating company. RealCom will also enforce proper installation and termination of local trunks by such companies.

2 Long Distance Network

RealNet, RealCom's long distance network offering, is designed to provide a level of perceived voice quality satisfactory to the tenants utilizing the system. While the overall determination of voice quality is a subjective judgment, RealCom will enforce maintenance of long distance trunks within the published specifications of each carrier, and, in particular, will require that all carriers serving the building maintain their trunks in accordance with the following standards:

- a Noise - less than 24dBm, or less than 24dB above the "0" reference, set at -90dBm
- b Levels maintained between +2dB to -6dB for voice grade circuits

RealCom will assure a P 01 grade of service 95 percent of the time from the switch with regard to access to long distance transmission. These standards will be maintained for all transmissions unless a specific tenant(s) requests dedicated service from a particular carrier, the provision of which to such tenant(s) results in performance specifications outside of the above specified ranges.

C On Site Administration

The overall, generalized standard that RealCom will maintain will be better than or equal to market specific industry norms for a tenant dedicated installation within the city in which the Building is located. It is noted that all standards stipulated below are believed to represent a level of service response better than industry norms within the area and such standards will be verified with regard to conformity to such a standard. Appropriate response times will be stipulated within tenant contracts, and can be modified to reflect the actual needs of tenants within the Building.

1 System Records

RealCom will maintain all "as-built" wiring diagrams and all customer service and system records in a workmanlike manner. RealCom will also provide a response to tenant service requests in accordance with Paragraphs C 2 and C 3, below, unless research within the area indicates a higher level of required responsiveness. In such case, RealCom will make every effort to upgrade responsiveness to meet or exceed such norms.

2 Station Moves and Adds

The move or addition of from 1 to 9 instruments to pre-wired locations will be accomplished routinely within 5 working days, and, at a modest premium, execution of such requests will be accomplished within 2 working days. The addition of instruments from 1 to 9 which requires station wiring will be accomplished within 10 working days. The installation of more than 10 instruments requiring station wiring will be scheduled to conform to tenant needs, and tenants will be requested to notify RealCom of such needs as early as possible and in turn an appropriate schedule will be developed in consultation with the tenant. Often, RealCom will fulfill service requests in less time.

3 System Software Changes

Routine system software changes will be accomplished within 5 working days, and, at a modest premium, will be accomplished within 2 working days. Often, such services are accomplished more quickly. Tenant requests for significant software reconfigurations will be scheduled in accordance with tenant needs as per C 2, above.

D System Maintenance

RealCom will maintain the Building's communications services equipment in compliance with the manufacturers' specifications and standard industry practices. A technician will make on-site visits at least two times weekly to run routine system diagnostics and perform other routine maintenance functions. In addition, provision will be made, in cooperation with the in-building security staff, where possible, to contact the RealCom Project Manager and technicians, by beeper, in the event of system failures that occur after normal business hours and on holidays and weekends.

Mean time to respond to major and minor equipment failures will be as follows:

Minor Failures - response within 24 hours, Monday through Friday, except holidays recognized by the federal government,

Major Failures - response within 4 hours, Monday through Friday, except holidays recognized by the federal government.

In all cases, corrective work for equipment failures shall be completed as expeditiously as possible, subject to force majeure events described in paragraph 11.3 of the Agreement. By providing for the above response obligations of RealCom, Owner is not in any way undertaking any obligation to any third party, including Tenants of the Building.

EXHIBIT B

COMMERCE SQUARE PHILADELPHIA FACILITIES TO BE CONSTRUCTED BY OWNER

I SWITCHROOM

General

Owner will provide RealCom in accordance with Exhibit C (space lease) approximately four thousand (4,000) square feet of non-prime space with building standard fit-up to serve as a switchroom for the provision of RealCom's services. A space diagram for the switchroom is set forth in an attachment to Exhibit C. All walls, ceilings, and doors are to be constructed of material sufficient for all applicable local building and fire codes. Normally, building standard office fit-up is adequate to support the switchroom requirements. The walls are to be painted a color approved by building management and RealCom. All doors are to be a minimum size of 3'0" x 6'8". A standard T-bar suspended ceiling is adequate to protect the equipment from dust and to conserve air-conditioning. Minimum ceiling height required is 8'0" A F F, with 8'6" the desired height. Any revisions to previously approved plans or specifications of these facilities requested or required by RealCom resulting in additional cost shall be at RealCom's expense.

A vinyl composite industrial grade tile floor will be installed in the switchroom. The floor loading requirements are as follows:

| | |
|-----------------------------|-------------------------|
| General switchroom area | 90 lbs per square foot |
| Rectifiers area floor plate | 445 lbs per square foot |
| Inverter area floor plate | 595 lbs per square foot |
| Battery area floor plate | 250 lbs per square foot |

Adherence to local and national codes shall prevail should a conflict occur between a code and these specifications. (Access flooring shall be provided at CS1 per RealCom's letter of September 5, 1986.)

Battery Room

Construction will meet all requirements in the "General" section above, plus the following:

A Deleted

B A fused 250v-600A-2P safety switch will be provided in the battery room for each battery bank fused at 500A enabling the battery to be disconnected in case of an emergency.

- C An acceptable ground will be provided to ground the battery rack
- D Deleted
- E The structure shall be able to support floor loading of 250 lbs per square foot at the battery rack

HVAC

The switching equipment is designed to operate in an air-conditioned environment. The air-conditioning systems should operate in a range of 50° to 80°F with 30% to 60% relative humidity. The heat dissipation in the switchroom is

| <u>Initial</u> | | <u>Future</u> |
|------------------------------------|----------------------|----------------------|
| Switch | 182,400 BTU/Hr | 223,400 BTU/Hr |
| Power Eg | 19,500 BTU/Hr | 24,700 BTU/Hr |
| Ambient | <u>87,700</u> BTU/Hr | <u>87,700</u> BTU/Hr |
| Total | 289,600 BTU/Hr | 335,800 BTU/Hr |
| 36 tons of practical HVAC required | | |

Two 18-ton units should be installed. Water cooled units are preferred.

Electrical

Two AC electrical panels are required for the switchroom (see Attachment 2). One 120/208v, 3-phase, 4-wire, 600 Amp distribution panel is a "Dedicated Panel" supporting the DC power equipment and miscellaneous equipment associated with the telephone switching equipment. The other, a 120/208v, 3-phase, 4-wire, 300 Amp panel is required for "Standard" utility requirements such as HVAC, lights, and other utility items.

An isolated ground must be installed from the building entrance point to the "Dedicated Panel," but isolated from the panel case. This ground must be extended to an external ground plate mounted above the panel. The normal electrical ground must also appear in the "Dedicated Panel."

Conduits are required for the battery and DC power arrangement and for the riser cables. Two 3" EC are required between each of the batteries and the "safety disconnect switches" in the battery room. Two 1½" EC are required from the DC power board to each of

the equipment cabinets initially installed. These conduits should be installed when the equipment is set.

Ten 4" EC are required to be run from the end of the MDF near the door, to the 19th floor telephone riser room. The conduits will be terminated with bushings as they leave the wall in the telephone riser room and with bushings above the suspended ceiling at the MDF. These conduits should be run during fit-up of the room.

Lighting in the room should be recessed fluorescent fixtures placed over the 4' isles in the equipment area. General lighting is sufficient in the battery room. A minimum of 50 foot candles of lighting measured 30" above the floor is required.

II FACILITIES EXTERNAL TO THE SWITCHROOM NECESSARY FOR OPERATION OF THE COMMUNICATION SERVICES

Owner, shall also construct and maintain at its own expense, all electrical services and utility support facilities external to the switchroom. Such services and facilities shall include (a) electrical service lines (including all wires and conduits, panels and breakers for both utility and emergency electrical services) adequate to support the dedicated technical and utility loads of the switchroom and battery room systems specified above, (b) access to an extension of the "building earth ground" entrance point, such extension to be a stranded copper cable of a size equal to or greater than the largest current-carrying conductor entering the switchroom. The street side of the extension shall connect to the street side of the building main water meter, (c) conveyances (such as conduit) to the telephone company entrance/interface location, and (d) access to building environmental systems such as chiller lines, drain lines, fresh air supplies and exhaust air vents. Owner shall provide at its expense all engineering and architectural drawings required by this paragraph.

Owner shall also install at its expense all telephone closets, riser cables, distribution frames and all cable riser shafts, including riser sleeves and conduit where required in the Building in accordance with the plans therefor, the telephone company cable termination room, and conduit between the telephone company cable termination room and RealCom's switchroom. Owner shall have the right of final approval over the contractor selected to install riser cables and distribution frames. RealCom shall have the right to use all such facilities at no charge for so long as necessary to provide services in accordance with the provisions of the Agreement to which this Exhibit B is attached. Owner will enforce, using reasonable efforts, the maintenance of the telephone company cable termination room, subject to the terms of its agreement with the local telephone company, and shall perform or cause to be performed any construction necessary to allow the local telephone company to install its cables in the telephone company cable termination room.

III OFFICE SPACE

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Owner will provide to RealCom in accordance with Exhibit C (space lease) approximately ~~600~~ square feet of office space with standard fit-up to serve as a marketing and administrative office. The marketing/administrative office space shall be co-located with the building management offices. A space diagram for the office space is set forth as an attachment to Exhibit C.

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between

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES
AS LANDLORD

and

REALCOM COMMUNICATIONS CORPORATION
AS TENANT

DATED July 1, 1987

TABLE OF CONTENTS

| | Page |
|--|------|
| ARTICLE 1 - Premises | 1 |
| Section 1 1 Description of Premises | 1 |
| Section 1 2 Mutual Covenants | 1 |
| ARTICLE 2 - Purpose of Lease | 2 |
| ARTICLE 3 - Term | 2 |
| Section 3 1 Commencement Date | 2 |
| Section 3 2 Occupancy Date | 3 |
| Section 3 3 Acceptance of Premises, Continuing Obligations | 4 |
| Section 3 4 Commencement Prior to Project Completion | 5 |
| Section 3 5 Renewal Terms | 6 |
| ARTICLE 4 - Basic Rent | 7 |
| Section 4 1 Initial Basic Rent | 7 |
| Section 4 2 Increases in Basic Rent | 7 |
| Section 4 3 Additional Rent | 8 |
| ARTICLE 5 - Operating Expenses and Taxes | 8 |
| Section 5 1 Definitions | 8 |
| Section 5 2 Adjustments to Rent - Operating Expenses and Real Property Taxes | 13 |
| Section 5 3 Deleted | 13 |
| Section 5 4 Adjustments to Rent - Cost Saving Improvements | 13 |
| Section 5 5 Landlord's Statement | 14 |
| Section 5 6 Proration of Adjustment | 15 |
| Section 5 7 Records | 15 |
| ARTICLE 6 - Other Improvements | 16 |
| Section 6 1 Development of Other Improvements | 16 |
| Section 6 2 Incorporation of Other Improvements | 17 |
| Section 6 3 No Limitation on Right to Sell | 17 |
| ARTICLE 7 - Construction of Premises | 17 |
| ARTICLE 8 - Parking Facilities | 18 |
| Section 8 1 Initial Parking Rights | 18 |
| Section 8 2 Maintenance of Garage | 18 |
| ARTICLE 9 - Utilities and Services | 19 |
| Section 9 1 Landlord Obligations | 19 |
| (a) HVAC | 19 |
| (b) Electricity | 19 |
| (c) Elevators | 20 |
| (d) Water | 20 |
| (e) Access | 20 |
| (f) Janitorial | 20 |
| Section 9 2 Direct Charge for Extraordinary Services | 21 |
| Section 9 3 Limitation on Landlord Liability | 22 |
| Section 9 4 Payment for Electricity, Installation of Equipment | 22 |
| Section 9 6 Building Security | 24 |

| | |
|--|----|
| ARTICLE 10 - Use of Premises | 24 |
| Section 10 1 Limitation on Uses | 24 |
| Section 10 2 Payment of Additional Premium | 25 |
| Section 10 3 Compliance with Permits | 25 |
| Section 10 4 Equal Employment | 25 |
| ARTICLE 11 - Condition of Premises | 26 |
| ARTICLE 12 - Alterations | 26 |
| Section 12 1 Restriction on Alterations | 26 |
| Section 12 2 Surrender or Removal of Alterations | 27 |
| Section 12 3 Tenant's Property | 28 |
| ARTICLE 13 - Maintenance and Repairs | 28 |
| Section 13 1 Tenant's Obligations | 28 |
| Section 13 2 Reimbursement to Landlord | 28 |
| Section 13 3 Landlord's Obligations | 29 |
| ARTICLE 14 - Tax on Tenant's Personal Property and Overstandard Tenant Improvements | 30 |
| Section 14 1 Payment of Personal Property Taxes | 30 |
| Section 14 2 Payment of Tax on Overstandard Tenant Improvements | 30 |
| Section 14 3 Exclusion from Real Property Taxes | 31 |
| ARTICLE 15 - Right of Entry | 31 |
| ARTICLE 16 - Indemnification and Limitation on Liability | 32 |
| Section 16 1 Indemnity of Landlord | 32 |
| Section 16 2 Exclusions from Liability | 33 |
| Section 16 3 Indemnity of Tenant | 33 |
| ARTICLE 17 - Insurance, Waiver of Subrogation | 34 |
| Section 17 1 Tenant's Liability Insurance | 34 |
| Section 17 2 Property Insurance | 34 |
| Section 17 3 Policy Requirements | 35 |
| Section 17 4 Landlord's Requirements | 35 |
| Section 17 5 Waiver of Subrogation | 36 |
| ARTICLE 18 - Damage or Destruction | 37 |
| Section 18 1 Obligation to Repair | 37 |
| Section 18 2 Option to Terminate | 37 |
| Section 18 3 Destruction | 38 |
| Section 18 4 Lease Termination, Proration of Rent | 39 |
| Section 18 5 No Discharge of Liability | 39 |
| Section 18 6 Exemption of Liability | 39 |
| Section 18 7 Agreement Governs | 40 |
| ARTICLE 19 - Eminent Domain | 40 |
| Section 19 1 Appropriation | 40 |
| Section 19 2 Award | 41 |
| Section 19 3 Rent Abatement | 41 |
| Section 19 4 Temporary Appropriation | 42 |

| | |
|--|----|
| TICLE 20 - Assignment and Subletting | 42 |
| Section 20 1 Limitation on Assignment and Subletting | 42 |
| Section 20 2 Notice to Landlord | 43 |
| Section 20 3 Landlord Options | 43 |
| Section 20 4 No Release of Tenant | 45 |
| Section 20 5 Assumption of Tenant's Obligations | 46 |
| TICLE - 21 Transfer of Landlord's Interest | 46 |
| TICLE - 22 Defaults and Remedies | 47 |
| Section 22 1 Defaults by Tenant | 47 |
| Section 22 2 Acceleration of Rent | 48 |
| Section 22 3 Repossession of Premises | 49 |
| Section 22 4 Termination of Lease | 49 |
| Section 22 5 Re-entry by Landlord | 50 |
| Section 22 6 Waivers of Notice | 50 |
| Section 22 7 Waiver of Recovery by Tenant | 51 |
| Section 22 8 Entry and Re-entry Defined | 51 |
| Section 22 9 Breach by Tenant/Right of Landlord to Injunction | 51 |
| Section 22 10 Waiver of Jury Trial | 52 |
| Section 22 11 Landlord's Remedies Cumulative | 52 |
| Section 22 13 Definition of Tenant | 52 |
| TICLE 23 - Subordination | 52 |
| Section 23 1 Self-operative | 52 |
| Section 23 2 Attornment | 53 |
| Section 23 3 Notice from Tenant | 54 |
| TICLE 24 - Estoppel Certificate | 54 |
| TICLE 25 - Surrender of Premises and Removal of Property | 55 |
| Section 25 1 No Merger | 55 |
| Section 25 2 Surrender of Premises | 55 |
| Section 25 3 Disposal of Property | 55 |
| Section 25 4 Fixtures and Improvements | 56 |
| TICLE 26 - Holding Over | 56 |
| TICLE 27 - Landlord's Right to Perform, Late Charges | 57 |
| Section 27 1 Landlord's Right to Perform | 57 |
| Section 27 2 Late Charges | 58 |
| TICLE 28 - Quiet Enjoyment | 58 |
| TICLE 29 - Construction of Building and Project | 58 |
| TICLE 30 - Excavation | 58 |
| TICLE 31 - Computation of Rentable Area | 59 |
| Section 31 1 Single-Tenant Floor | 59 |
| Section 31 2 Multi-Tenant Floor | 59 |
| Section 31 3 Building Common Areas | 60 |
| Section 31 4 Building | 61 |
| TICLE 32 - Examination of Lease | 61 |
| TICLE 33 - Broker | 61 |
| TICLE 34 - Rules and Regulations | 61 |
| TICLE 35 - Directory Board | 62 |

| | |
|-------------------------------------|----|
| ARTICLE 36 - Services Agreement | 62 |
| ARTICLE 37 - General Provisions | 63 |
| Section 37 1 No Waiver | 63 |
| Section 37 2 Terms, Headings | 63 |
| Section 37 3 Amendment | 63 |
| Section 37 4 Successors and Assigns | 63 |
| Section 37 5 Notices | 63 |
| Section 37 6 Severability | 64 |
| Section 37 7 Time of Essence | 64 |
| Section 37 8 Governing Law | 64 |
| Section 37 10 Attorneys' Fees | 64 |
| Section 37 11 Light and Air | 65 |
| Section 37 12 Landlord Covenants | 65 |
| Section 37 13 Force Majeure Delay | 65 |

EXHIBITS

| | |
|-----------|--|
| Exhibit A | Legal Descriptions |
| Exhibit B | Floor Plans |
| Exhibit C | Memorandum of Lease Commencement |
| Exhibit D | Landlord's Work Letter |
| Exhibit E | Parking Facility Rules and Regulations |
| Exhibit F | HVAC Specifications |
| Exhibit G | Cleaning Specifications |
| Exhibit H | Security Specifications for the Building |
| Exhibit I | Rules and Regulations |

OFFICE LEASE

THIS LEASE is made and entered into as of this 1st
day of JULY, 1987, by and between MAGUIRE/THOMAS
PARTNERS-PHILADELPHIA PLAZA ASSOCIATES, a Pennsylvania partner-
ship (the "Landlord") and REALCOM COMMUNICATIONS CORPORATION,
Delaware
a ~~Virginia~~ corporation (the "Tenant")

Handwritten: 1/8/87
INITIAL

1 Premises

1 1 Description of Premises Landlord hereby leases to
Tenant, and Tenant hereby leases from Landlord, those certain
premises (the "Premises") consisting of 1,377 square feet of
Rentable Area (as defined in Article 31) located on floor
numbered 41, and 4,466 square feet of Rentable Area located on
floor numbered 18, in an office building (the "Building")
included in an office building/retail complex constructed in
Philadelphia, Pennsylvania on a portion of the land located
between Market Street and John F Kennedy Boulevard and
between 20th and 21st Streets, as more specifically described
on Exhibit "A" attached hereto (the "Land"), together with the
non-exclusive right to use the common areas and public areas
in the Project (as hereinafter defined), including, without
limitation, the lobbies, elevators, stairways, lavatories,
loading docks, walkways and plazas Attached hereto, as
Exhibit "B," is a copy of the floor plan for each portion of
the Premises setting forth the Rentable Area therein The
Land, the Building, a subterranean parking garage to be
located on the Land (the "Parking Garage"), all other improve-
ments now or hereafter constructed on the Land, except
improvements which tenants may remove therefrom pursuant to
the terms of their respective leases, and all rights and
easements appurtenant to and benefitting the Land, Building,
and Parking Garage are collectively referred to herein as the
"Project "

1 2 Mutual Covenants The Lease created hereby is upon
the terms, covenants and conditions set forth herein and

Landlord and Tenant covenant, as a material part of the consideration for this Lease, to perform all of said terms, covenants and conditions required to be performed by Tenant and Landlord, respectively, under this Lease and further covenant and agree that this Lease is made upon the condition of such performance

2 Purpose of Lease

The Premises located on the 41st floor shall be used by Tenant for offices and marketing of its communications services, and all lawful uses incidental thereto, and the Premises located on the 18th floor shall be used for a switchroom and related equipment facility for the provision of Tenant's communications services to the Project, and other lawful uses incidental thereto, provided all such uses shall be compatible with a first-class office building complex

3 Term

3 1 Commencement Date The term of this Lease shall commence on the date (the "Commencement Date") which is the earlier of (a) the date on which Tenant occupies any portion of the Premises or (b) the date on which the Premises are ready for occupancy as specified in the notice given pursuant to Section 3 2, and shall end ten (10) years thereafter, unless sooner terminated pursuant hereto, and subject to Article 36 below Immediately after the Commencement Date, Landlord and Tenant shall execute and acknowledge an agreement in the form attached hereto as Exhibit "C," setting forth the Commencement Date and the expiration date of the term of this Lease In no event shall this Lease be void, voidable or subject to termination or shall Landlord be liable to Tenant for any loss or damage resulting from Landlord's inability to deliver the Premises to Tenant on the date specified in Landlord's notice given pursuant to Section 3 2, but no rent hereunder shall be payable during any period of delay in delivery of the Premises which is caused solely by Landlord

3 2 Occupancy Date Landlord shall deliver to Tenant a written notice stating the date on which the Premises will be ready for occupancy (the "Occupancy Date"), such notice to be given not less than thirty (30) days prior to the Occupancy Date indicated in the notice. The Occupancy Date for the Premises shall not occur until each of the following conditions have been satisfied

(a) Landlord has substantially completed and installed the lobby of the Building, substantially all of the entrances to the Building, including service entrances, and all systems and equipment required for the proper furnishing of all services and utilities required to be furnished by Landlord to Tenant under this Lease for the Premises, and the lobby of the Building where construction is not in progress is in a neat and orderly condition and the exterior windows of such floor have been washed within a reasonable period prior to occupancy of the Premises,

(b) Tenant has adequate and safe access to the Premises through the lobby of the Building and adequate elevator service between the lobby and the Premises,

(c) Landlord has provided Tenant one (1) parking pass for the parking of an automobile in the Parking Garage,

(d) Landlord has substantially completed the Tenant Work and Base Building Work (as defined in Landlord's Work Letter attached hereto as Exhibit "D") required to be performed by Landlord for the Premises other than

(1) Minor details of construction and decoration and minor mechanical adjustments which do not materially interfere with Tenant's use of the Premises (punch list items), and

(11) Any Base Building Work or Tenant Work for the Premises which is not completed due to any delays requested or caused by Tenant unless Landlord, using reasonable prudence and diligence, but without additional expense, could avoid the delay, and only to the extent the delay occurs after Landlord gives Tenant notice of the

occurrence or possible occurrence of the delay, and if practicable, of Landlord's estimate of the period of such delay, and

(e) Landlord has (1) obtained a Certificate of Occupancy or a temporary Certificate of Occupancy permitting occupancy of the Premises, or (11) completed all Base Building Work and all Tenant Work necessary to entitle Landlord to the issuance of such a Certificate of Occupancy or such a temporary Certificate of Occupancy for the Premises, other than any Tenant Work or Base Building Work not completed due to any delay of the character described in subsection (d)(11) of this Section 3 2 and has obtained a certificate from Landlord's architect for the Project certifying such completion, (unless Landlord, using reasonable prudence and diligence, but without additional expense, could avoid the delay, and only to the extent the delay occurs after Landlord gives Tenant notice of the occurrence or possible occurrence of the delay, and if practicable, of Landlord's estimate of the period of such delay) If Landlord obtains a temporary Certificate of Occupancy for all or any part of the Premises, Landlord shall use reasonable diligence to obtain a permanent Certificate of Occupancy, as appropriate, in Landlord's reasonable judgment

3 3 Acceptance of Premises, Continuing Obligations

Tenant by entering into occupancy for the conduct of its business in the Premises or any portion thereof shall be conclusively deemed to have agreed that Landlord has performed all of the Tenant Work on its part to be performed with respect to such portion of the Premises and that such portion of the Premises was in satisfactory condition as of the date of such occupancy except for (1) latent defects, (11) minor details of construction, decoration and mechanical adjustments (punch list items), and (111) such matters as Tenant shall within sixty (60) days after entering into occupancy of such portion of the Premises for the conduct of its business specify in a written notice or notices to

Landlord Neither the fact that a portion of the Premises is ready for occupancy or that Tenant occupies such portion for the conduct of its business shall relieve Landlord of its obligation thereafter to complete any incomplete portion of the Base Building Work and Tenant Work on its part to be performed (in accordance with the Final Plans, as defined in Landlord's Work Letter) with due dispatch and in a good workmanlike manner Landlord shall, promptly upon receiving notice from Tenant of any defects (including latent defects) or deficiencies in the Base Building Work and Tenant Work on its part to be performed, repair or correct the same in such manner as shall not cause unreasonable interference to Tenant in its use of the Premises, provided that (except in the case of latent defects) Tenant gives such notice to Landlord within sixty (60) days following Tenant entering into occupancy of such portion of the Premises With respect to latent defects, Landlord (A) shall have no responsibility to correct, or liability with respect to, any latent defects in any portion of the Tenant Work installed by a contractor of Tenant, and (B) shall be responsible for repair of and liable for latent defects in the core and shell of the Building, subject to applicable statutes of limitation If any such repair or correction by Landlord of any defect in the Base Building Work or Tenant Work which is the subject of a notice from Tenant to Landlord within said sixty (60) day period renders any material part of the Premises untenable after the Commencement Date, Tenant shall be entitled to a proportionate abatement of the Basic Rent (and additional rent payable pursuant hereto) for so much of the Premises as shall not be reasonably usable by Tenant during such period

3 4 Commencement Prior to Project Completion Tenant agrees that the Commencement Date and the Occupancy Date may occur prior to the completion of portions of the Project, including without limitation, the Parking Garage, the plaza, if any, and landscaping (provided the parking pass Tenant is obligated to rent pursuant to Sections 8 1 and 3 2(c) has been provided by Landlord)

3 5 Renewal Terms Provided Tenant is not in default under this Lease as of the date of the commencement of each renewal term, the term of this Lease for the entire Premises shall be renewed in the manner set forth in Paragraphs 7 1 1, 7 1 2 and 7 1 3 of the Services Agreement described in Article 36 below Notwithstanding anything to the contrary contained herein, this Lease shall be subject to early termination during the initial term and any renewal term in accordance with the provisions of Article 36 below

(a) The Basic Rent payable hereunder for the Premises during the first renewal term shall be increased (but not decreased) to the fair market value rental rate as of the commencement of such renewal term as reasonably determined by Landlord in the usual and normal manner Thereafter, the Basic Rent shall be increased (but not decreased) on each fifth year anniversary of the commencement of the first renewal term to the fair market value rental rate as of each such fifth year anniversary as reasonably determined by Landlord in the usual and normal manner

Landlord shall give Tenant written notice of the adjusted Basic Rent not less than sixty (60) days prior to the commencement of the first renewal term and each fifth year anniversary of the commencement of the first renewal term Notwithstanding anything above to the contrary, in no event shall the Basic Rent for any renewal term be less than the Basic Rent payable immediately preceding the commencement of such renewal term

(b) The Base Operating Expenses and the Base Real Property Taxes for each renewal term shall be equal to the Base Operating Expenses and Base Real Property Taxes, respectively, set forth in Section 5 1 below as adjusted pursuant to Section 4 2 below, and the adjustment of the Basic Rent to fair market value for the renewal terms shall account for such setting of the Base Operating Expenses and Base Real Property Taxes

(c) The Basic Rent during each renewal term shall be adjusted in accordance with the provisions of Section 5 of this Lease, subject to the setting of Base Operating Expenses and Base Real Property Taxes set forth in subsection 3 5(b)

4 Basic Rent

4 1 Initial Basic Rent Tenant shall pay a basic annual rent ("Basic Rent") for the Premises in the amount of One Hundred Sixty Three Thousand Six Hundred Eight Dollars (\$163,608) which is approximately equal to the total Rentable Area of the Premises multiplied by the annual rate of twenty-eight and 00/100 dollars (\$28 00) per square foot of Rentable Area in the Premises Basic Rent shall be payable in equal monthly installments of Thirteen Thousand Six Hundred Thirty Four Dollars (\$13,634) in advance on the first day of each and every calendar month throughout the term of this Lease In the event the Commencement Date occurs on a day other than the first day of a calendar month, then the Basic Rent for the portion of the calendar month beginning with the Commencement Date shall be prorated on the basis of the actual number of days in said month and shall be paid on the Commencement Date If the term hereof ends on a day other than the last day of the month, then the Basic Rent for the partial month during which the expiration occurs shall be prorated on the basis of the actual number of days in said month Notwithstanding any other provision hereof, Tenant shall not be obligated to pay Basic Rent for the first three (3) years after the Commencement Date. +^{no} expenses see P 13

4 2 Increases in Basic Rent

(a) On the fifth (5th) anniversary of the Commencement Date, the Basic Rent shall be increased (but not decreased) to the fair market rental rate for the Premises as of the date of such adjustment as reasonably determined by Landlord in the usual and normal manner Landlord shall give Tenant written notice of the adjusted Basic Rent not less than sixty (60) days prior to the fifth (5th) anniversary of the Commencement Date The Base

Operating Expenses and the Base Real Property Taxes for the period commencing on the fifth (5th) anniversary of the Commencement Date and ending on the termination of the initial term hereof shall be revised to equal the actual Operating Expenses and Real Property Taxes, expressed as an amount per square foot of Rentable Area, for the twelve (12) month period ending on the fifth (5th) anniversary of the Commencement Date, provided that the sum of any increase in the Base Operating Expenses and the Base Real Property Taxes shall not exceed the increase, if any, in the Basic Rent (expressed as an amount per square foot of Rentable Area) pursuant to this subsection

4 2(a) After such adjustment of the Basic Rent, Tenant shall continue to pay the rent adjustments provided in Section 5 hereof, subject to the foregoing adjustments in Base Operating Expenses and Base Real Property Taxes

4 3 Additional Rent In addition to the Basic Rent, Tenant shall pay such additional rent and all other amounts or charges as may be required in this Lease. The Basic Rent and said additional rent and other payments shall sometimes be collectively referred to herein as the "rent." The rent shall be payable to the Landlord, without demand, deduction or offset of any kind in lawful money of the United States of America at the address for Landlord set forth in this Lease or to such other person or at such other place as Landlord may from time to time designate in writing.

5 Operating Expenses and Taxes

5 1 Definitions For purposes of this Section 5

(a) "Base Operating Expenses" shall mean the amount of Four Dollars and 00/100 (\$4.00) per square foot of Rentable Area, as hereinafter defined, or, if the Comparison Year (defined below) is less than a full calendar year, the pro rata portion of such amount based on the number of days in such Comparison Year.

(b) "Base Real Property Taxes" shall mean the amount of One Dollar and 50/100 (\$1.50) per square foot of

Rentable Area, or, if the Comparison Year is less than a full calendar year, the pro rata portion of such amount based on the number of days in such Comparison Year

(c) "Operating Expenses" shall mean the total of all actual costs, expenses and disbursements incurred or paid by Landlord (other than taxes) in connection with the management, operation, maintenance (including cleaning, protecting and servicing the Project), and repair of the Project (including the Parking Garage) Operating Expenses shall include, without limitation, (i) the cost of air-conditioning, electricity, steam heating, mechanical, ventilation, escalator and elevator systems and all other utilities and the cost of supplies and equipment and maintenance and service contracts in connection therewith, (ii) the cost of repairs, general maintenance, cleaning, trash removal, telephone service, janitorial service, light bulb and tube replacement, and supplies and security and parking shuttle service (if any), (iii) the cost of fire, extended coverage, boiler, sprinkler, apparatus, public liability, property damage, rent, earthquake and other insurance, (iv) wages, salaries and other labor costs including taxes, insurance, retirement, medical and other employee benefits, (v) fees, charges and other costs including management fees, consulting fees, legal fees and accounting fees of all independent contractors engaged by Landlord or reasonably charged by Landlord if Landlord performs such services in connection with the Project (including, without limitation, the management fee payable to the Building Manager which is equal to three percent (3%) of the annual gross revenues of the Project), (vi) the cost of supplying, replacing and cleaning employee uniforms, (vii) the fair market rental value of Landlord's and the property manager's offices in the Building, provided said offices are not larger than reasonably required (such office is currently contemplated to be less than approximately 3,000 square feet) and are devoted solely to the management, operation, maintenance or repair of the Project, (viii) the cost of business taxes

and licenses, (ix) any other expenses of any kind whatsoever reasonably incurred for managing, operating, maintaining and repairing the Project. Operating Expenses shall also include any fee imposed by any federal, state or local government for fire protection, police, trash or other similar service which does not constitute a Real Property Tax as defined in subsection (d) below. Operating Expenses shall exclude any expenses paid for directly by Tenant or by any other tenants of the Building. For purposes of computing rent adjustments pursuant to this Article 5, Operating Expenses for the entire Project (excluding the amounts of such Operating Expenses which are allocable to any portion of the Land which is not developed as part of the Project) shall be charged to Tenant in accordance with generally accepted accounting and management practices and expressed as an amount per square foot of Rentable Area, provided that at all times all Operating Expenses are allocated to some portion of the Rentable Area of the Project. Operating Expenses shall be adjusted to reflect full occupancy of the Project during any period in which the Project is not fully occupied.

(d) "Real Property Taxes" shall mean all taxes, assessments (special or otherwise) and charges levied upon or with respect to the Project and ad valorem taxes for on personal property used in connection therewith. Real Property Taxes shall include, without limitation, any tax, fee or excise on the act of entering into this Lease, on the occupancy of Tenant, the rent hereunder or in connection with the business of owning and/or renting space in the Project which are now or hereafter levied, assessed or imposed or assessed against Landlord by the United States of America, any State or any political subdivision, public corporation, district or other political or public entity, and shall also include any other tax, assessment, fee or excise, however described (whether general or special, ordinary or extraordinary, foreseen or unforeseen), which may be levied, assessed or imposed in lieu of, as a substitute, in whole or in part, for or as an

addition to, any other Real Property Taxes Landlord shall pay any such special assessments in installments when allowed by law, in which case, Real Property Taxes shall include any interest charged Real Property Taxes shall not include income, franchise, transfer, inheritance or capital stock taxes, unless, due to a change in the method of taxation, any of such taxes are levied, assessed or imposed against Landlord in lieu of, as a substitute, in whole or in part, for or as an addition to, any other tax which would otherwise constitute a Real Property Tax Real Property Taxes shall also include reasonable legal fees, costs and disbursements incurred in connection with proceedings to contest, determine or reduce Real Property Taxes, but shall exclude any item included in Operating Expenses and any amounts paid therefor under Sections 5 2 and 14 2 Notwithstanding any contrary provision herein, Real Property Taxes shall not be reduced by any tax abatement granted or allowed to Landlord by the state or local taxing authority during the period commencing on the date hereof and ending on the later of (A) five (5) years after the date on which a Building Permit is issued for the Building, or (B) the expiration of the period of tax abatement under the Philadelphia Real Property Tax Abatement for new construction At all times prior to the assessment of the Project on a fully completed basis, Real Property Taxes shall be adjusted to reflect the amount which Real Property taxes would be if the Project were assessed on a fully completed and occupied basis For purposes of computing rent adjustments pursuant to this Section 5, Real Property Taxes shall be allocated and charged to Tenant in accordance with generally accepted accounting and management practices and expressed as an amount per square foot of Rentable Area, provided that at all times all Real Property Taxes are allocated to some portion of the Rentable Area of the Project

(e) "Cost Saving Capital Improvements" shall mean any equipment, device or other improvement acquired subsequent to the commencement of the construction of the Building or any

other portion of the Project (i) reasonably anticipated to achieve economies in the operation, maintenance and repair of the Building or other portion of the Project, (ii) to comply with any statute, ordinance, code, mandatory controls or guidelines more particularly described in Section 9.3, or (iii) to comply with any other governmental requirement with respect to the Building or any other portion of the Project, including without limitation, fire, health, safety or construction requirements, if the cost thereof is capitalized on the books of Landlord in accordance with generally accepted accounting practices. Notwithstanding the preceding sentence, however, no equipment, device or other improvement acquired or contracted for prior to the Commencement Date shall be considered a Cost Saving Capital Improvement unless such equipment, device or improvement meets the standards set out in clauses (ii) and (iii) of the preceding sentence. As of the date hereof, no Cost Saving Capital Improvements have been acquired or contracted for.

(f) "Cost Saving Capital Improvement Amortization" shall mean the amount determined by multiplying the actual cost, including financing costs, if any, of each Cost Saving Capital Improvement acquired by Landlord by the constant annual percentage required to fully amortize such cost over the useful life of the Cost Saving Capital Improvement (as reasonably estimated by Landlord at the time of acquisition). The Cost Saving Capital Improvement Amortization shall be allocated and charged to Tenant as an amount per square foot of Rentable Area in accordance with generally accepted accounting and management practices and in an amount not greater than Tenant's pro rata share comparing space occupied by Tenant with the total Rentable Area of the Building.

(g) "Comparison Year" shall mean the partial calendar year commencing on the Commencement Date and ending on December 31 of the year in which the Commencement Date (or the first full calendar year of the Lease if the Commencement Date is January 1) occurs and all subsequent calendar years during the term of this Lease.

5 2 Adjustments to Rent - Operating Expenses and Real Property Taxes

If, for any Comparison Year, the sum of (i) the Operating Expenses for the Project, expressed as an amount per square foot of Rentable Area of the Building, and (ii) Real Property Taxes for the Project, expressed as an amount per square foot of Rentable Area of the Building (the "Combined Expenses") is higher than the Base Operating Expenses and the Base Real Property Taxes, combined (the "Combined Base Amount") the rent payable by Tenant for such Comparison Year (and any subsequent period until further adjustment pursuant to this Article 5) shall be increased over the Basic Rent, as adjusted in accordance with Section 4 2, by the amount by which the Combined Expenses per square foot of Rentable Area of the Building exceeds the Combined Base Amount, multiplied by the number of square feet of Rentable Area in the Premises, provided, however, Tenant shall not be obligated to pay any increased amount of Basic Rent pursuant to this sentence prior to the third (3rd) anniversary of the Commencement Date. Notwithstanding anything above to the contrary, any costs or expenses for services or utilities in excess of those required by this Lease to be supplied by Landlord and which are attributable directly to Tenant's use or occupancy of the Premises shall be paid in full by Tenant as additional rent when such costs are incurred, or, if Landlord makes such payments, within thirty (30) days after being billed therefor by Landlord.

5 3 Deleted

5 4 Adjustments to Rent - Cost Saving Improvements

In any calendar year during the term of this Lease which is included in the useful life of a Cost Saving Capital Improvement, the rent payable by Tenant for such year shall be increased over the Basic Rent, as adjusted in accordance with Section 4 2, by the amount of the Cost Saving Capital Improvement Amortization per square foot of Rentable Area of the Building multiplied by the number of square feet of Rentable Area in the Premises, provided, however, Tenant shall not be

obligated to pay any increased amount of Basic Rent pursuant to this Section 5 4 prior to the third (3rd) anniversary of the Commencement Date

5 5 Landlord's Statement Prior to the commencement of each Comparison Year (including the partial year commencing on the Commencement Date of this Lease), or as soon thereafter as possible, Landlord shall furnish to Tenant a statement of Landlord's reasonable estimate of the Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization incurred or expected to be incurred during the Comparison Year and showing the amount of additional rent, if any, payable by Tenant for the Comparison Year pursuant to Sections 5 2, 5 3 and 5 4 on the basis of such estimate Commencing as of January 1st of each Comparison Year, Tenant shall pay to Landlord one-twelfth (1/12th) of the amount of said estimated additional rent on each monthly rent payment date until further adjustment pursuant to this Section 5 5, provided, that if the Comparison Year is a partial year, during said Comparison Year, Tenant shall pay to Landlord only the amount of said estimated additional rent attributable solely to such partial Comparison Year divided by the number of months in said partial Comparison Year on each of the monthly payment dates during said partial Comparison Year If Landlord's statement is furnished after January 1st of a Comparison Year, Tenant shall pay the entire portion of the estimated additional rent attributable to portions of the Comparison Year prior to Tenant's receipt of Landlord's statement on the second monthly rent payment date after Tenant's receipt of Landlord's statement Landlord shall have the right, in Landlord's discretion, to revise Landlord's estimates from time to time during the Comparison Year to reflect the then current Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization, and Tenant's monthly rent payments shall be further adjusted (including adjustments necessary to account for savings or additional expenditures attributable to the period in the Comparison Year prior to

Landlord's revised estimate) in accordance with the revised estimate commencing on the second monthly rent payment date following Tenant's receipt from Landlord of a statement of such revised estimate. Notwithstanding the preceding sentence, however, Landlord shall only revise such estimate during a Comparison Year if the total of (i) the additional rent attributable to Operating Expenses, (ii) the additional rent attributable to Real Property Taxes, or (iii) the additional rent attributable to the Cost Saving Capital Improvement Amortization are estimated to increase by at least 10% over Landlord's last estimate. With reasonable promptness after the expiration of each Comparison Year, Landlord shall furnish to Tenant a statement prepared by a firm of certified public accountants selected by Landlord showing (A) the actual Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization during the previous Comparison Year, (B) the difference, if any, between Landlord's estimated amounts thereof and the actual amounts and (C) the aggregate amount of any charge or credit to Tenant necessary to adjust rent previously paid by Tenant to the actual Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization. Promptly after the receipt of said statement by Tenant, Tenant shall, in case of an underpayment, pay to Landlord an amount equal to such underpayment, or Landlord shall, in case of an overpayment, promptly pay the Tenant or credit the next monthly rental payment of Tenant with an amount equal to such overpayment, at Tenant's option.

5.6 Proration of Adjustment The amount of increase in rent payable by Tenant under this Section 5 for any partial month shall be prorated on a daily basis.

5.7 Records Landlord shall maintain in a safe and orderly manner all of its records pertaining to the additional rent payable pursuant to this Section 5 for a period of five (5) years after the completion of each calendar year. Landlord shall maintain such records on a current basis and in

sufficient detail to permit adequate audit and review thereof and, at all reasonable times, copies of such records shall be available to Tenant or its representatives for such purposes at the office of the Building

6 Other Improvements

6.1 Development of Other Improvements The Land and any other property which may be acquired by Landlord may be developed by Landlord, or by any successor-in-interest to Landlord, or by any entity controlling, controlled by or under common control with Landlord, for office, retail and/or cultural purposes deemed appropriate in Landlord's discretion (the "Other Improvements") If the Other Improvements are owned by an entity other than Landlord, Landlord shall have the right, but not the obligation (unless required to comply with zoning or other governmental requirements), to enter into an agreement with the owner of any or all of the Other Improvements to provide for (a) reciprocal rights of access, use and enjoyment of the Project and the Other Improvements, (b) for the common management, operation, maintenance, improvement and repair of all or any portion of the Project and all or any portion of the Other Improvements, (c) for the allocation of all or any portion of the Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization for the Project to the Other Improvements and the allocation of the Operating Expenses, Real Property Taxes and Cost Saving Capital Improvement Amortization for the Other Improvements to the Project in order to provide for the efficient management, operation, maintenance, improvement and repair of the Project and the Other Improvements Landlord agrees that it will use reasonable efforts to cause the Other Improvements to be taxed and assessed separately from the Project for Real Property Taxes, if the Other Improvements and the Project are taxed together, Landlord shall allocate the Real Property Taxes between the Project and the Other Improvements in order to equitably allocate such Taxes between the Project and the Other Improvements

6 2 Incorporation of Other Improvements In the event Landlord (a) is the owner of any or all of the Other Improvements and the property on which they are located or (b) conveys the Project to the owner of the Other Improvements or to any other person or entity which will become the owner of both the Project and the Other Improvements, Landlord, or its successors or assigns, shall have the right, but not the obligation (unless required to comply with zoning or other governmental requirements), to incorporate the Other Improvements into the Project and to provide for the common management, operation, maintenance and repair of the Project and the Other Improvements. In the event the Other Improvements are so incorporated into the Project, all references to the Project contained in this Lease shall be deemed and construed to include the Other Improvements. Landlord agrees that it will use reasonable efforts to cause the Other Improvements to be taxed and assessed separately from the Project for Real Property Taxes, if the Other Improvements and the Project are taxed together, Landlord shall allocate the Real Property Taxes between the Project and the Other Improvements in order to equitably allocate such Taxes between the Project and the Other Improvements.

6 3 No Limitation on Right to Sell Nothing contained in this Article 6 shall be deemed or construed to limit or otherwise affect Landlord's right to sell the Project or any other rights described in Article 21 of this Lease.

7 Construction of Premises

Prior to the Commencement Date, Landlord shall prepare the Premises for occupancy by Tenant in accordance with the provisions of Landlord's Work Letter, unless otherwise provided for in Landlord's Work Letter or by other agreement between Landlord and Tenant.

8 Parking Facilities

8 1 Initial Parking Rights Landlord shall provide and Tenant shall rent for the entire term of this Lease one parking pass for the parking of one automobile in the Parking Garage on a monthly basis. All monthly parking passes rented by Tenant shall be rented at the prevailing rental rates for similar parking passes in the Parking Garage being charged by Landlord, and subject to the Rules and Regulations attached hereto as Exhibit "E ". Landlord shall not increase the monthly rate charged by Tenant more than once in any one twelve (12) month period, provided such increase may be based on Landlord's reasonable projection of the allowable rate for the twelve-month period following the rate increase. In addition, and to the extent available, Tenant shall have the right to validation parking for Tenant's invitees upon terms and conditions and subject to rules and regulations established from time to time by Landlord or Landlord's operator or licensee, and at rates not higher than those charged by Landlord to others for such validation parking.

8 2 Maintenance of Garage Landlord shall keep the Parking Garage in a clean and orderly condition. If Tenant is prohibited from using all of its parking passes in the Parking Garage for a period of more than five (5) consecutive business days, because of fire or other casualty beyond Landlord's control (excluding normal maintenance and repairs), then Tenant's monthly rent for the parking passes shall be abated, on a pro rata basis, for the number of full business days that Tenant is so prohibited from using all its passes, based on the per pass monthly rent multiplied by the number of passes so rendered unusable, and based on the actual number of days in the month or months in question. In any case, whether or not Tenant is entitled to an abatement in the parking pass rent hereunder, Landlord shall use its best efforts to supply alternative parking reasonably proximate to the Project while repairs are being made to the Parking Garage.

9 Utilities and Services

9 1 Landlord Obligations Landlord shall furnish the following services and utilities to the Premises, the cost of which shall be included in Operating Expenses except as specifically provided otherwise herein, during the periods from 8 00 a m to 6 00 p m , Monday through Friday and 9 00 a m to 2 00 p m Saturday, except New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (except as otherwise provided below) and subject to rules and regulations from time to time established by Landlord

(a) HVAC Landlord shall furnish heating, air conditioning and ventilation ("HVAC") in amounts required for the use and occupancy of the Premises in accordance with Exhibit "F" attached hereto and made a part hereof

(b) Electricity Landlord shall furnish the Premises with an average of four (4) watts per square foot of Rentable Area of electric current at Tenant's expense as set forth in Section 9 4 Landlord shall also furnish electric current for heating, ventilation and air conditioning, the cost of which shall be part of Operating Expenses Tenant shall not install or operate in the Premises any electrically operated machinery, appliances or equipment (including, without limitation, computers, word processors, photocopiers) which would exceed the capacity of the Building's electrical, mechanical, plumbing and HVAC systems ("Building Systems"), as reasonably determined by Landlord, without first obtaining the prior written consent of Landlord Landlord makes no representation with respect to the adequacy or fitness of the HVAC equipment in the Building to maintain temperatures which may be required for, or because of, any equipment of Tenant other than equipment as to which Landlord has given its consent under this subsection (b), and Landlord shall have no liability for loss or damage in connection therewith Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all loss, damage, claim, liability, expense or cost

incurred by Landlord to any other tenant in the Project as a result of the use by Tenant of electric current, HVAC or other services in excess of the capacity of the Building Systems

(c) Elevators Landlord shall furnish freight and passenger elevator services to the Premises during the hours set forth in the first sentence of this Section 9.1 and, during all other hours, Landlord shall furnish at least one passenger elevator cab service in each elevator bank serving the Premises, and, by prior arrangement with Landlord's Building Manager, freight elevator service. In addition, if Tenant requires use of the freight elevator for other than normal deliveries to the Premises (such as for a special move or alterations), then Landlord shall provide such freight elevator service by prior arrangement with Landlord's Building Manager.

(d) Water Landlord shall furnish water for lavatory and drinking purposes to be drawn from the bathroom or other approved fixtures on each floor of the Premises.

(e) Access Landlord shall furnish to Tenant's employees and agents access to the Premises at all times, subject to compliance with such security measures as shall from time to time be in effect for the Building and subject to the rules and regulations from time to time established by Landlord, provided such rules and regulations do not unreasonably restrict Tenant's access to the Premises. Landlord shall also furnish to Tenant's employees and agents access to the use of the loading dock facilities for the Building during the hours listed in the first sentence of this Section 9.1.

(f) Janitorial Landlord shall provide janitorial service five (5) nights per week (Sunday through Thursday or Monday through Friday) pursuant to Exhibit "G" attached hereto and made a part hereof. Landlord shall not be required to provide janitorial services for portions of the Premises used for preparing or consuming food or beverages, areas secured, obstructed or locked by Tenant, or used as a lavatory, other than the lavatory rooms shown on the floor plans of the Premises to be attached hereto as Exhibit "B."

Any and all additional or specialized janitorial services ordered by Tenant may be contracted for by Tenant directly with Landlord's janitorial agent, and the cost and payment thereof shall be and remain the sole responsibility of Tenant. At Tenant's request, Landlord agrees to contract for such additional or specialized janitorial services with Landlord's janitorial agent on behalf of Tenant, in which case Tenant shall pay, as additional rent hereunder, all costs and expenses of such additional or specialized services within thirty (30) days after delivery of a statement therefor by Landlord.

9 2 Direct Charge for Extraordinary Services It is understood that the freight and passenger elevator service, HVAC, and access to and use of the loading dock facilities will be available twenty-four (24) hours a day, subject to this Section 9 2, Sections 9 3, 9 4 and 9 5. Landlord may impose a reasonable direct charge on Tenant for the use of any services requested by Tenant and for any HVAC, passenger or freight elevator service, or use of the loading dock facilities by Tenant at any time other than during the hours set forth in Section 9 1. Landlord may also impose a reasonable direct charge on Tenant for the usage of any additional or unusual janitorial services beyond those listed on Exhibit "G" required because of (i) any non-building standard improvements in the Premises, (ii) the carelessness of Tenant, (iii) the operation of Tenant's business other than during the hours listed in the first sentence of Section 9 1 (excluding special occasions), or (iv) the removal of any refuse and rubbish from the Premises (except for discarded material placed in wastepaper baskets and left for emptying as an incident to Landlord's normal cleaning of the Premises). The foregoing direct charges shall be payable by Tenant as additional rent hereunder on the next rent payment date at least thirty (30) days after submission of an invoice therefor by Landlord. Landlord shall submit invoices for overtime HVAC at least quarterly to Tenant, provided, however, that Landlord shall waive its right to charge Tenant for such overtime HVAC if Landlord fails to deliver an invoice therefor to Tenant within two (2) years after the date of Tenant's usage thereof.

9 3 Limitation on Landlord Liability Landlord shall not be liable for any failure to furnish any services or utilities when such failure is caused by acts of God, accidents, breakage, repairs, strikes, lockouts, other labor disputes, in order to make repairs, alterations or improvements to the Premises or the Building, the inability to obtain an adequate supply of fuel, steam, water, electricity, labor or other supplies or for any other condition beyond Landlord's reasonable control, including without limitation, any governmental energy conservation program or legal requirement, and Tenant shall not be entitled to any damages nor shall such failure relieve Tenant of the obligation to pay the full rent reserved hereunder or constitute or be construed as a constructive or other eviction of Tenant In the event any governmental entity promulgates or revises any statute, ordinance or building, fire or other code or imposes mandatory controls or guidelines on Landlord or the Project or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions or the provision of any other utility or service provided with respect to this Lease or in the event Landlord is required to make alterations to the Building or any other part of the Project in order to comply with such mandatory controls or guidelines, Landlord may, in its sole discretion, comply with such mandatory controls or guidelines or make such alterations to the Building or any other part of the Project related thereto without creating any liability of Landlord to Tenant under this Lease, provided that the Premises are not thereby rendered untenable In addition, the cost of such compliance and alterations shall be deemed to be a Cost Saving Capital Improvement, as defined in Section 5 1 hereof Landlord will minimize interference with Tenant's use and occupancy of the Premises and will restore all services and utilities to the Premises as soon as possible

9 4 Payment For Electricity, Installation of Equipment

Tenant, and all other tenants in the Building shall be separately sub-metered and billed directly by Landlord for

all electrical service to the Premises, including all lighting, outlets, equipment, and fans, pumps, and HVAC units located in the Premises or serving the Premises exclusively Tenant shall pay to Landlord, as additional rent, the cost of all electrical service to the Premises (other than electrical service necessary for Landlord to provide HVAC to all tenants of the Building, including Tenant, as provided in Section 9 1, which shall be included in Operating Expenses) Landlord shall submit an estimate of Tenant's annual charge for all electric service to the Premises, along with Landlord's estimate of Operating Expenses for each Comparison Year (as defined in Section 5 1(g)) in accordance with Section 5 5 The initial estimate of Tenant's annual charge for all electric service to the Premises for the first Comparison Year of the term of this Lease shall be One Dollar (\$1 00) per square foot of Rentable Area of the Premises Landlord may revise said initial estimate to reflect the actual cost of electric service to the Premises after the first thirty (30) days of the first Comparison Year Thereafter, Landlord shall be entitled to revise its estimate of Tenant's electric service usage not more frequently than two (2) times during any Comparison Year or upon a change in utility rates charged to Landlord for electric service or upon a change in the Rentable Area of the Premises Unless there has been a change in utility rates charged to Landlord for electric service or a change in the Rentable Area of the Premises, the estimate of the charges for electric service in the Premises for each Comparison Year subsequent to the initial Comparison Year shall be equal to the actual cost of electric service to the Premises during the preceding Comparison Year Tenant shall pay directly to Landlord one-twelfth (1/12th) of the estimated charge for electric service set forth in Landlord's notice each month, at the same time and in the same manner as the Basic Rent As soon as practicable after the end of each Comparison Year, Landlord shall submit a final statement to Tenant showing the actual charge for electric service to the

Premises payable by Tenant for such Comparison Year and Tenant shall pay the amount, if any, by which the actual charge exceeds the sum of all Tenant's payments for such Comparison Year, provided, however, that if the actual charge is less than the sum of all such payments by Tenant, then Tenant shall receive a credit against the next payments for electric service coming due after the delivery of Landlord's year-end statement for the amount of such overpayment. Tenant shall pay Landlord directly for all electrical service to the Premises in the foregoing manner based on the average kilowatt hour charge then being charged to Landlord for electrical use in the Project by the electric company supplying electricity to Landlord. Tenant agrees to pay any costs incurred by Landlord to the electric company as a result of the failure by Tenant to pay its estimated charges for electrical service when due. The costs incurred by Landlord in keeping account of electric service usage by Tenant and the other tenants in the Building shall be included as part of Operating Expenses, without limiting the provisions of Section 5 1(c) hereof.

9 5 Building Security Landlord shall provide building security equipment, procedures and personnel for the Project in accordance with the Security Specifications attached hereto as Exhibit "H" and made a part hereof. Tenant shall have the right, at Tenant's expense, to provide additional security equipment or personnel in the Premises.

10 Use of Premises

10 1 Limitation on Uses Tenant shall use and occupy the Premises only for the purposes described in Section 2 hereof, and for no other purpose, except with the prior written consent of Landlord, which consent shall not be unreasonably withheld, provided it shall be deemed reasonable for Landlord to withhold such consent on the grounds that such use is not compatible with a first class office building. Tenant shall not use or occupy the Premises, or permit the use or occupancy of the Premises, in any manner or for any purpose

(a) which would violate any law or regulation of any governmental authority, (b) which will in any way increase the existing rate or adversely affect any fire or other insurance maintained by Landlord upon the Building or any of its contents (unless Tenant agrees to pay such increased premiums occasioned thereby) or cause a cancellation of any insurance policy, (c) which would violate any provision of this Lease or any Certificate of Occupancy for the Premises or the Building, (d) which would exceed the floor load capacity of any floor of the Premises, (e) which might impair or interfere with any of the services and systems of the Building, including without limitation, the escalators and elevators, HVAC (beyond the variances therefor set forth on Exhibit "F") and mechanical systems and the janitorial, security and building maintenance services, unless Tenant agrees to provide at its cost improvements and changes in the Building's systems to prevent such interference, or (f) which would obstruct or interfere with the rights of other tenants or occupants of the Building or injure said tenants or occupants, or impair the appearance of the Building other than as set forth in this Lease

10 2 Payment of Additional Premium Tenant shall promptly upon demand by Landlord, reimburse Landlord for any additional premium charged for any such insurance policy maintained by Landlord by reason of Tenant's failure to comply with the provisions of Sections 10 1 and 10 3 and for any other costs and expenses reasonably incurred by Landlord in enforcing the provisions of Sections 10 1 through 10 4

10 3 Compliance with Permits If any governmental license or permit is required for the lawful conduct of any business or other activity carried on by Tenant in the Premises, and if the failure to obtain such license or permit would affect Landlord, Tenant shall procure and maintain such license or permit for inspection by Landlord, if so requested, and comply at all times with all terms and conditions thereof

10 4 Equal Employment There are incorporated in this Lease the provisions of Executive Order 11246 (as amended) of

the President of the United States on Equal Employment Opportunities and the rules and regulations issued pursuant thereto with which the Landlord represents that it will comply unless Landlord is not required to comply thereunder

11 Condition of Premises

Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty, except as otherwise expressly provided in this Lease, with respect to the Premises, the Building or any other portion of the Project, including without limitation, any representation or warranty with respect to the suitability or fitness of the Premises, the Building or any other portion of the Project for the conduct of Tenant's business

12 Alterations

12.1 Restriction on Alterations

(a) Tenant shall make no alterations, repairs, additions or improvements in, to or about the Premises (collectively "Tenant Alterations") without the prior written consent of Landlord, which consent Landlord covenants shall not be unreasonably withheld. Landlord may impose as a condition to such consent such requirements as Landlord may reasonably deem necessary or desirable, including without limitation, (i) the right to approve the plans and specifications for any work, (ii) the right to require reasonable liability insurance satisfactory to Landlord to the extent not insured under Article 17 hereof, (iii) reasonable requirements as to the manner in which or the time or times at which work may be performed, to the extent such work will adversely affect someone other than Tenant and (iv) the right to approve, in advance, a list of prospective contractors from which the contractor to perform such Tenant Alterations shall be selected by Tenant (said list to be submitted by Tenant together with the plans and specifications for the work), which approval shall not be unreasonably withheld or delayed

(b) All Tenant Alterations permitted hereunder or approved by Landlord shall be compatible with a first-class office building complex and shall be completed in accordance with Landlord's reasonable requirements as provided in subsection (a) above and all applicable rules, regulations and requirements of governmental authorities and insurance carriers. Tenant shall pay to Landlord the lesser of Landlord's actual or reasonable charges for reviewing and inspecting all Tenant Alterations to assure full compliance with all of Landlord's requirements. Tenant shall promptly pay all undisputed costs incurred in connection with all Tenant Alterations and shall use reasonable efforts to prevent the filing of any mechanic's lien or other lien in connection with any Tenant Alterations. If a mechanic's lien or other lien is filed against the Building or the Project by a contractor or subcontractor of Tenant, Tenant shall discharge or cause to be discharged such lien within thirty (30) days after Tenant receives notice of the filing thereof and shall not allow any such lien to be foreclosed upon. Any increase in any tax, assessment or charge levied or assessed as a result of any Tenant Alterations shall be payable by Tenant in accordance with Section 14 hereof.

12.2 Surrender or Removal of Alterations Subject to the provisions of the "Services Agreement (as defined in Article 36 below), all Tenant Alterations attached to, or built into the Premises, including without limitation, floor coverings, draperies, wall coverings, paneling, molding, doors, vaults (excluding vault doors), plumbing systems, electrical systems, lighting systems, sound installation equipment, communication systems and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes, and any special ceiling installations, upon completion thereof shall be Tenant's property (and Tenant shall have an insurable interest therein), but shall become the property of Landlord and shall be surrendered with the Premises, as a part thereof, on the termination of this Lease or the portion of this Lease covering the portion of the Premises in which the Tenant Alterations are

located, provided, however, Landlord may, by written notice to Tenant at the time Landlord consents to the Tenant Alterations, require Tenant to remove any Tenant Alterations which are not generally found in a first class office building and to repair any damage to the Premises caused by such removal, all at Tenant's sole expense. Subject to Section 12.1, Tenant may remove or relocate Tenant Alterations during the term hereof, provided Tenant repairs any damage to the Premises caused thereby prior to or at the end of the term hereof.

12.3 Tenant's Property Subject to the provisions of the Services Agreement (as defined in Article 36 below), any articles of personal property, including business and trade fixtures (excluding built-in cabinet work), machinery and equipment, cabinet work, furniture and movable partitions, which were installed by Tenant in the Premises at Tenant's sole expense, shall be and remain the property of Tenant and may be removed by Tenant at any time during the term of this Lease provided that Tenant repairs any damage to the Premises, the Building and any other part of the Project caused by such removal.

13 Maintenance and Repairs

13.1 Tenant's Obligations Except for Landlord's obligations specifically set forth in Sections 3, 7, 9, 13.3, 18 and 19 of this Lease and except for damage to the Premises caused directly by Landlord, its agents, contractors or invitees, Tenant shall, at Tenant's sole expense, keep the Premises and every part thereof in good condition and Landlord shall have no obligation to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof.

13.2 Reimbursement to Landlord Subject to the provisions of Sections 17 and 18 below, and to the extent not covered by insurance required hereunder to be carried by Landlord, Tenant shall reimburse Landlord for all repairs to the Building or any other portion of the Project which are required as a result of any misuse or neglect of the same by Tenant or any of its officers, agents, employees, contractors, licensees or invitees while

in or about the Premises, the Building or any other part of the Project

13 3 Landlord's Obligations Landlord shall operate, maintain and keep in repair the Building and the Project as a first class, highrise office building complex Subject to Section 18 of this Lease, Landlord shall repair and maintain with reasonable diligence after written notice thereof from Tenant (or upon oral notice from Tenant's Administrative Services Manager located on the Premises in the event of an emergency which requires repairs immediately to avoid further damage to the Premises or the Building), defects in, and damage to, the Building's plumbing, sprinkler, heating, mechanical, ventilation, elevators, utility lines, equipment and transformers, air-conditioning and electrical systems and other structural systems installed by Landlord and serving or located on the Premises and similar structural systems in the Parking Garage, and shall maintain in good condition the exterior of the Building and the other improvements in the Project (including the roof, exterior walls, bearing walls, support beams, columns, exterior doors and windows), the exterior improvements to the Land, including landscaping, and the common areas located within or outside the Building, the Parking Garage, or other improvements in Project, including all common and public areas, including without limitation, the common entrances, corridors, doors and windows, loading dock, halls, plazas, stairways and lavatory facilities and parking facilities and damage to the Premises caused directly by Landlord, its agents, contractors or invitees If such maintenance and repair is required in material part or in whole by the act, neglect, misuse, fault or omission of any duty of Tenant, its agents, employees, contractors, licensees or invitees, Tenant shall pay to Landlord the cost of such maintenance and repairs, except to the extent Tenant has been relieved of such liability under Section 18 1 There shall be no abatement of rent with respect to, and Landlord shall not be liable for, any injury to or interference with Tenant's business arising from any repairs, maintenance, alteration or improvement in or to any

portion of the Project or the Building, including the Premises, or in or to the fixtures, appurtenances and equipment therein As a material inducement to Landlord entering into this Lease, Tenant hereby waives and releases any right to make repairs at Landlord's expense under any applicable law, statute or ordinance now or hereafter in effect, provided, however, that this provision does not release Landlord from its specific obligations pursuant to this Lease

14 Tax on Tenant's Personal Property and Overstandard Tenant Improvements

14 1 Payment of Personal Property Taxes Prior to delinquency, Tenant shall pay all taxes levied or assessed upon Tenant's equipment, furniture, fixtures and other personal property located in or about the Premises If the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon Tenant's equipment, furniture, fixtures or other personal property, Tenant shall pay to Landlord, upon written demand, the taxes so levied against Landlord, or the proportion thereof resulting from said increase in assessment Without limiting Tenant's payment obligations under this Section 14 1, Tenant may request and Landlord shall render to Tenant a written explanation of the increase in the assessed value of Landlord's property due to the inclusion of Tenant's property and the basis for such explanation

14 2 Payment of Tax on Overstandard Tenant Improvements Tenant shall pay to Landlord, upon written demand, such portion of all real estate taxes levied or assessed against the Building or any other portion of, or all of, the Project which are attributable to the value of the Tenant Work installed in the Premises in excess of the Allowance (as those terms are defined in Landlord's Work Letter) or the value of Tenant Alterations If the assessing authority allocates a specific value to Tenant Work or Tenant Alterations, the amount payable by Tenant shall be the tax attributable to such specific value If the assessing authority does not allocate a specific value to Tenant Work or Tenant Alterations, the amount payable by Tenant pursuant to this

Section 14 2 shall be the amount equal to the total tax assessed against improvements which include Tenant's Tenant Work multiplied by a fraction, the numerator of which is the sum of (1) the cost of Tenant Work in excess of the Allowance for the Premises and (11) the cost of Tenant Alterations and, the denominator of which is the total cost of the improvements covered by the assessment Notwithstanding the foregoing, however, Tenant shall not be required to pay any additional real estate taxes hereunder by reason of Tenant Alterations unless and until such Tenant Alterations result in an increase in the assessment of the Building, the Project or the Premises Tenant Alterations shall not be taken into account in the above determination if they are replacements of Tenant Work or prior Tenant Alterations in the Premises and unless they amount to substantial new improvements to the Premises, except to the extent such Tenant Alterations in fact result in an increase in the assessment of the Building, the Project or the Premises

14 3 Exclusion from Real Property Taxes The portion of real estate taxes payable by Tenant pursuant to Sections 14 1 and 14 2 hereof and by other tenants of the Project pursuant to or as if they had similar provisions in their leases shall be excluded from Real Property Taxes for purposes of rent adjustments described in Section 5 hereof

15 Right of Entry

Landlord and its agents and representatives shall have the right, at all reasonable times, after giving advance oral or written notice to Tenant (except in the case of emergencies and to provide janitorial and other services) but in such manner as to cause as little disturbance to Tenant as reasonably practicable, to enter the Premises for purposes of inspection, to post notices of non-responsibility, to protect the interest of Landlord in the Premises, to supply janitorial service and any other services to be provided by Landlord hereunder, to perform all required or permitted work therein, including the temporary erection of scaffolding, props and other mechanical devices for

the purpose of making alterations, repairs or additions to the Premises or the Building which are provided for in this Lease or required by law. Landlord and its agents and representatives shall also have the right, during business hours upon advance oral or written notice, to show the Premises (excluding Tenant-designated security or confidential areas) to prospective tenants (during the last eighteen (18) months of the term of this Lease), lessors of superior leases, mortgagees, prospective mortgagees or prospective purchasers of the Building or Project. No such entry shall be construed under any circumstances as a forceable or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant, and Tenant hereby waives any claim against Landlord or its agents or representatives for damages for any injury or inconvenience to or interference with, Tenant's business or quiet enjoyment of the Premises, provided such entry is in accordance with this Section 15.

16 Indemnification and Limitation on Liability

16.1 Indemnity of Landlord Tenant shall indemnify, defend and hold harmless Landlord, its officers, directors, partners, agents and employees, and any affiliate of Landlord, including without limitation, any corporations or any other entities controlling, controlled by or under common control with Landlord, from and against any and all claims, suits, demands, liability, damages and expenses, including reasonable attorneys' fees and costs, if any, arising from or in connection with Tenant's use of the Premises or the conduct of its business or from any activity performed or permitted by Tenant in or about the Premises, the Building or any other part of the Project during the term of this Lease or prior to the Commencement Date if Tenant has been provided access to the Premises, the Building or any other part of the Project for any purpose, or arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any other act, neglect, fault or omission of Tenant or any of its officers, agents, directors, contractors,

employees, licensees or invitees As a material part of the consideration to the Landlord for entering into this Lease, Tenant hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever except that which is caused by the negligent acts or omissions or willful misconduct of Landlord, its officers, agents, directors, contractors, employees, licensees or invitees or any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease This indemnity shall not cover any liability or damage which is covered by insurance maintained by the Landlord

16 2 Exclusions from Liability In no event shall Landlord be liable to Tenant for any injury to any person in or about the Premises or damage to the Premises or for any loss, damage or injury to any property of Tenant therein caused by any malfunction of any utility or other equipment, installation or system, or by the rupture, leakage or overflow of any plumbing or other pipes, including without limitation, water, steam, and refrigeration lines, sprinklers, tanks, drains, drinking fountains or similar cause in, about or upon the Premises, the Building or any other portion of the Project unless such loss, damage or injury is caused by the negligent acts or omissions or willful misconduct of Landlord, its officers, agents, directors, contractors, employees, licensees or invitees, or Landlord's breach of this Lease None of the partners, officers, directors, agents, employees or shareholders of Landlord shall be responsible for any of the liabilities, obligations or agreements of Landlord under this Lease beyond the interest of the Landlord in the Project

16 3 Indemnity of Tenant Landlord shall indemnify, defend and hold harmless Tenant, its officers, directors, partners, agents and employees and any affiliate of Tenant, including without limitation, any corporations or any other entities controlling, controlled by or under common control with Tenant, from and against any and all claims, suits, demands, liability, damages and expenses, including reasonable attorneys'

fees and costs, arising from any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease, Landlord's activities on or about the Project or the willful misconduct or negligent acts or omissions of Landlord, its officers, directors, agents, employees, contractors, licensees or invitees

17 Insurance, Waiver of Subrogation

17 1 Tenant's Liability Insurance Tenant shall at all times during the term hereof and at its own cost and expense procure and continue worker's compensation insurance and bodily injury liability and property damage liability insurance adequate to protect Landlord against liability for injury to or death of any person or damage to property in connection with the use, operation or condition of the Premises. Such insurance at all times shall be in an amount of not less than Two Million Dollars (\$2,000,000), combined single limit, for injuries to persons and property damage. Not more frequently than each two (2) years, if, in the opinion of Landlord's lender, the amount of public liability and property damage liability insurance coverage required to be carried by Tenant at that time is not adequate, Tenant shall increase the insurance coverage to the reasonable amounts required by Landlord's lender. Landlord shall be named as an additional insured on said policies.

17 2 Property Insurance

Tenant shall at all times during the term hereof maintain in effect policies of insurance covering (1) all leasehold improvements (including any Tenant Alterations as may be made by Tenant pursuant to the provisions of Section 12 hereof) trade fixtures, merchandise and other property from time to time in, on or upon the Premises, in an amount not less than ninety percent (90%) of their replacement cost from time to time during the term of this Lease, providing protection against any peril included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage, vandalism and malicious mischief and (11)

all interior plate glass in the Premises. The proceeds of such insurance, so long as this Lease remains in effect, shall be used for the repair or replacement of the property so insured. Upon termination of this Lease, the proceeds under the foregoing property insurance policies shall be paid to Landlord and Tenant, as their interests appear.

17.3 Policy Requirements. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies, qualified to do business in the State of Pennsylvania. Each policy required to be carried by Tenant hereunder shall name Landlord and Landlord's lender as additional insureds, as their interests may appear and certificates evidencing the existence and amounts of such insurance, shall be delivered to Landlord by Tenant at least ten (10) days prior to Tenant's occupancy of any floor of the Premises. Each such policy shall provide that it shall not be cancellable except after thirty (30) days written notice to Landlord. Tenant shall, at least thirty (30) days prior to the expiration of any such policy, furnish Landlord with certificates of renewal or certificates of replacement policies which fully comply with the requirements of this Lease. Any policy may be carried under so-called "blanket coverage" form of insurance policies, provided any such blanket policy specifically provides that the amount of insurance coverage required hereunder shall in no way be prejudiced by other losses covered by the policy. Neither the issuance of any such insurance policy nor the minimum limits specified in this Article 17 for coverages shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease.

17.4 Landlord's Requirements. Landlord shall, at all times during the term hereof, at its sole cost and expense (subject to reimbursement in accordance with Section 5.2 hereof) procure and maintain in force insurance of the type commonly referred to as an "all risk of physical loss" policy, including earthquake insurance and, during any period of con-

struction of the Building (including restoration of Damage) course of construction insurance, all on a replacement cost basis, and general public liability insurance insuring the Land and Building against all risks and all other hazards as are customarily insured against, in Landlord's judgment, by others similarly situated and operating like properties, including, without limitation, against loss, damage or destruction caused by machinery breakdown, by fire and the perils specified in the standard extended coverage endorsement, by earthquake, vandalism and malicious mischief, and by sprinkler, gas, water, steam and sewage leakage, and for such amounts and upon such terms and conditions as would a prudent owner of property similar to the Land and Building, in Landlord's judgment. The issuance of any such insurance policy shall not be deemed to limit or restrict in any way Landlord's liability arising under or out of this Lease.

17.5 Waiver of Subrogation. If waivers of subrogation are obtainable from insurance carriers prior to the occurrence of the damage for the time period covering the date such damage occurs, Landlord and Tenant hereby waive their respective rights of recovery against the other for and each releases the other from any direct or consequential damage to the property of the other or under its control, including its interest in the Premises, the Building or any other portion of the Project by fire or other casualty (including liability for loss of rent) to the extent such damage is insured against under a policy or policies of insurance, whether or not such damage may be attributable to the negligence or act of either party or its respective agents, invitees, contractors, servants or employees. Each such insurance policy carried by either Landlord or Tenant shall include such a waiver of the insurer's rights of subrogation against the other party hereto if such party is not named as an additional insured under said policy. Such waiver is limited to the parties' and their insurance carriers' rights of subrogation and shall not limit or restrict any indemnity or other waiver made by either party under the terms of this Lease.

18 Damage or Destruction

18 1 Obligation to Repair In the event the Premises, the Building, the Parking Garage or any other portion of the Project is damaged by fire or other casualty ("Damage") and if said Damage can be fully repaired, in the opinion of Landlord's architect for the Project, within one hundred twenty (120) days after notice to Landlord of the occurrence of the Damage, Landlord shall repair such Damage with all due diligence. Landlord shall give Tenant the architect's estimate within thirty (30) days after receipt by Landlord of said estimate. In the event any part of the Premises is rendered untenable as a result of such Damage, the Basic Rent and all additional rent shall be reduced and abated in proportion to the part of the Premises which is so rendered untenable until the Premises have been made tenantable or until the term of this Lease expires or terminates, whichever occurs first, provided that, (a) there shall be no abatement of rent if Landlord provides other improved space in the Building, or in the Other Improvements (as defined in Section 6.1) to Tenant which is similar in size to the Premises and which is reasonably suited for the temporary conduct of Tenant's business and reasonably acceptable to Tenant, and (b) there shall be no abatement of rent whatsoever with respect to any Damage caused in whole or in part by the negligence or willful act of Tenant, its agents, employees, contractors, licensees or invitees, except to the extent that such Damage is covered by rent loss insurance carried by Landlord the premiums for which are included in Operating Expenses.

18 2 Option to Terminate If the Premises are Damaged so that the repair of the Premises cannot, in the opinion of Landlord's architect for the Project, be completed within twelve (12) months after notice to Landlord of the occurrence of the Damage, or if Damage to other portions of the Project occurs which will render the Premises, or part thereof, untenable and the Premises, or such part thereof, cannot be

made tenantable within twelve (12) months, in the opinion of Landlord's architect for the Project, either Landlord or Tenant shall have the option, to be exercised by written notice to the other party within thirty (30) days after Landlord's notice to Tenant of the architect's estimate of the time required for repair (which notice shall be referred to hereafter as "Repair Estimate" and shall be given within thirty (30) days after Landlord's receipt of the architect's estimate of the time required for repair of the Damage) to terminate this Lease as of a date sixty (60) days after the Repair Estimate is given to Tenant. Any such termination by Tenant shall be exercised by written notice to Landlord within thirty (30) days of the Repair Estimate to Tenant. Tenant shall have an additional right to terminate this Lease if Landlord has exercised its option to repair the Premises after Damage thereto and such repair has not been completed within the twelve (12) month period, as such period is extended by Tenant-caused delays and/or Force Majeure Delays described in Section 37.12 hereof, provided such option is exercised by sixty (60) days prior written notice given within thirty (30) days after expiration of the twelve (12) months, as extended aforesaid. If neither Tenant nor Landlord exercises the right to terminate this Lease, then Landlord shall repair such Damage with all due diligence, this Lease shall remain in full force and effect, and rent shall be abated in the manner and to the extent provided in Section 18.1.

18.3 Destruction. If the Building or the Project suffers major and material Damage and the Landlord decides to demolish the Building, this Lease shall be terminated at the option of either Tenant or Landlord. If the Building or the Project is so extensively Damaged that the repair thereof cannot, in Landlord's reasonable opinion, be completed within twelve (12) months after the occurrence of the Damage, then Landlord shall have the option, to be exercised by written notice to Tenant within ninety (90) days after notice to Landlord of the occurrence of such Damage, either (a) to

terminate this Lease as of the date sixty (60) days after
Landlord's notice to Tenant or (b) to repair and rebuild the
Building or other portion of the Project within a reasonable
time, with all due diligence, in which event this Lease shall
continue in full force and effect

18 4 Lease Termination, Proration of Rent In the
event this Lease is terminated pursuant to the terms of
Sections 18 1, 18 2 or 18 3, this Lease and the estate and
interest of the Tenant in the Premises shall terminate and
expire on the date specified in the notice of termination and
the rent payable hereunder shall be prorated as of such date,
subject to rent abatement, if any, to the extent provided in
Sections 18 1 and 18 2

18 5 No Discharge of Liability Subject to Section 17
hereof, nothing contained in Sections 18 1, 18 2 or 18 3 shall
relieve, discharge or in any way affect either party's
liability to the other party in connection with any Damage to
the property of the other party, the Premises, the Building or
any other portion of the Project arising out of the negligence
or willful acts or omissions of the first party, its agents,
employees, contractors, licensees and invitees, except to the
extent the loss is covered by insurance required hereunder to
be carried by such other party

18 6 Exemption of Liability Landlord and Tenant shall
not be liable for any loss of business, inconvenience or
annoyance to the other arising from any repair or restoration
of any portion of the Premises, the Building or other portions
of the Project as a result of any Damage by such party Fur-
thermore, in the event of such Damage, Landlord shall have no
obligation (1) to repair any equipment, furniture, fixtures,
paneling, ceilings, carpets or other floor coverings, parti-
tions, draperies or any personal property installed in or
about the Premises by Landlord or Tenant or (11) to expend any
amount for the repair of the Tenant Work in the Premises, pro-
vided, however, Landlord shall perform or cause to be per-
formed such work in the Premises which Tenant requests Land-

lord to perform at Tenant's expense, such work to be paid for by Tenant in monthly progress payments during the course of such work

18 7 Agreement Governs The provisions of this Lease, including this Article 18, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or any other portion of the Project, and any statute or regulation of the State of Pennsylvania, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or any other portion of the Project

19 Eminent Domain

19 1 Appropriation

(a) If all of the Premises are permanently condemned or taken in any manner for public or quasi-public use by eminent domain (collectively referred to herein as "Appropriation") before or during the term hereof, this Lease shall automatically terminate as of the date of such Appropriation, or, if applicable, as of any prior date on which Tenant is deprived of possession by reason of the Appropriation (the "Appropriation Date")

(b) If a part of the Premises are so permanently appropriated, this Lease shall automatically terminate as to the portion of the Premises so Appropriated as of the Appropriation Date

(c) If such a major and material portion of the Building or Project is Appropriated so as to require, in the opinion of Landlord, a substantial alteration or reconstruction of the remaining portions thereof, this Lease may be terminated by Landlord, as of the Appropriation Date, by written notice to Tenant within sixty (60) days following

notice to Landlord of the Appropriation Date. If this Lease is not so terminated, Landlord will make structural alterations to the Building and/or remaining portion of the Premises reasonably necessary for the use of the Premises as contemplated by this Lease.

(d) If a portion of the Premises or the Building is Appropriated as to render the remaining portion of the Premises unusable for the conduct of Tenant's business, in Tenant's reasonable opinion, this Lease may be terminated by Tenant as of the Appropriation Date, by written notice to Landlord within sixty (60) days following notice to Tenant of the Appropriation Date and a complete description of the taking.

19.2 Award Landlord shall be entitled to the entire award in any condemnation proceeding for Appropriation of the Premises, the Building or any other portion of the Project, including without limitation, any award made for the value of the leasehold estate created by this Lease. No award for any partial or entire Appropriation shall be apportioned, and Tenant hereby assigns to Landlord any award which may be made in such Appropriation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof, provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any award made to Tenant for its relocation expenses, the taking of personal property and fixtures belonging to Tenant, the interruption of or damage to Tenant's business or, to the extent included in the award made to Landlord, the unamortized value over the term of this Lease of any Tenant Alterations and the Tenant Work in excess of the Allowance (as defined in Landlord's Work Letter).

19.3 Rent Abatement In the event of a partial Appropriation which does not result in a termination of this Lease as to the entire Premises, the Basic Rent shall be abated in proportion to the portion of the Premises rendered untenable by the Appropriation.

19 4 Temporary Appropriation Notwithstanding any other provision hereof, if all or any portion of the Premises are Appropriated for a limited period of time ("Temporary Appropriation"), this Lease shall remain in full force and effect and Tenant shall continue to perform all of the terms, conditions and covenants of this Lease, including without limitation, the payment of Basic Rent and all other amounts required hereunder. Tenant shall be entitled to receive the entire award made in connection with any such Temporary Appropriation attributable to any period within the term of this Lease, including any renewal term if Tenant has timely exercised its option to renew the term. Landlord shall be entitled to the entire award for any such Temporary Appropriation which relates to a period after the expiration of the term of this Lease and all exercised renewals or which is allocable to the cost of restoration of the Premises. Any portion of such award relating to any period during an unexercised renewal term shall be held in escrow until the earlier of (i) the date on which Tenant exercises such renewal term (in which case such portion of the award shall be paid to Tenant) and (ii) the date on which such option to renew expires (in which case such portion of the award shall be paid to Landlord). If any such Temporary Appropriation terminates prior to the expiration of the term of this Lease, Tenant shall restore the Premises as nearly as possible to their condition prior to the Appropriation, at Tenant's sole cost and expense, provided that, Tenant has received the portion of the award attributable to such restoration, and such award is sufficient to cover the cost of restoration. If such award is not sufficient for such restoration, Tenant shall promptly pay all of such award to Landlord.

20 Assignment and Subletting

20 1 Limitation on Assignment and Subletting Except as expressly provided in subsections (a), (b) or (c) below, Tenant shall not directly or indirectly, voluntarily or by

operation of law, sell, assign, encumber, pledge or otherwise transfer or hypothecate all or any part of the Premises or Tenant's leasehold estate hereunder (collectively, "Assignment"), or permit the Premises to be occupied or used by any one other than Tenant or sublet the Premises (collectively, "Sublease"), or any portion thereof, without Landlord's prior written consent in each instance, which consent may be withheld in Landlord's sole discretion

So long as Tenant remains a subsidiary of International Business Machines Corporation, notwithstanding the first sentence of this Section 20 1, Tenant shall have the right to Sublease ~~or Assign portions of the Premises to~~ ^{or Assign this Agreement} to an affiliate as defined in Section 11 7 of the Services Agreement, ~~Tenant's or International Business Machines Corporation's wholly-owned subsidiaries or subsidiary, or to an affiliated entity of Tenant or International Business Machines Corporation fifty-one percent (51%) of whose voting interest is owned by Tenant or International Business Machines Corporation,~~ provided Sections 20 2, 20 4 and 20 5 shall apply to any such Sublease or Assignment

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20 2 Notice to Landlord If Tenant desires at any time to enter into an Assignment of this Lease or a Sublease of the Premises or any portion thereof, it shall first give written notice to Landlord of its desire to do so, which notice shall contain the minimum rent, term and other conditions of the proposed Assignment or Sublease

20 3 Landlord Options For any Sublease or Assignment other than that expressly authorized by Subsection 20 1(a) above, the following shall apply Tenant's notice specified in Section 20 2 shall be irrevocable for fifteen (15) days after receipt by Landlord, except if Tenant, in good faith, determines it has the need for the space in question prior to Landlord's election of an option under this Section 20 3 At any time within such 15-day period or, prior to Tenant's written revocation after such 15-day period and within thirty (30) days after Landlord's receipt of the notice specified in Section 20 2, Landlord may by written notice to Tenant elect

to (a) Sublease itself the portion of the Premises specified in Tenant's notice, or any portion thereof, (b) take an Assignment of Tenant's leasehold estate specified in Tenant's notice hereunder, or any portion thereof, or (c) terminate this Lease as to the portion of the Premises specified in Tenant's notice effective forty-five (45) days after the notice (or on such earlier date on which Landlord takes possession of such portion of the Premises), with a proportionate abatement in the rent payable hereunder. If Landlord does not elect to exercise any of the rights contained in subsections (a), (b) and (c) above, then Tenant may propose a Sublease or Assignment in conformity with the provisions contained in Tenant's notice to Landlord, provided such Sublease or Assignment shall be subject to Landlord's approval. Tenant shall submit such proposed Sublease or Assignment to Landlord, together with the name of the proposed subtenant or assignee, the nature of such proposed subtenant's or assignee's use of the Premises, and such financial information as Landlord may reasonably request concerning such proposed subtenant or assignee. Landlord agrees not to withhold or delay its consent to the Sublease or Assignment unreasonably, provided that (i) with respect to any proposed Assignment or Sublease of the Premises located on the forty-first (41st) floor, Landlord may withhold its consent in its sole discretion in recognition of the fact that such portion of the Premises is not separately demised from the premises of other tenants on the forty-first floor, and (ii) disapproval by Landlord because of its good faith judgment that a prospective subtenant or assignee is not an appropriate occupant for a first class office building shall be deemed reasonable. In the event Landlord elects to Sublease or take an Assignment from Tenant as described in subsections (a) and (b) above, the rent payable by Landlord shall be the lower of the minimum rent set forth in Tenant's notice or the rent payable by Tenant under this Lease at the time of the Assignment or Sublease (or a proportionate amount thereof represent-

ing the portion of the Premises subject to the Assignment or Sublease if less than the entire Premises are subject to the Assignment or Sublease) In the event Landlord elects any of the options set forth in subsections (a), (b) and (c) above with respect to a portion of the Premises (1) Tenant shall at all times provide reasonable and appropriate access to such portion of the Premises and non-exclusive use of any common facilities, and (11) Landlord shall have the right to use such portion of the Premises for any legal purpose in its sole discretion and the right to further assign or sublease the portion of the Premises subject to Landlord's election without the consent of Tenant If Landlord consents to the Sublease or Assignment Tenant may thereafter within one hundred twenty (120) days after Landlord's consent, but not later than the expiration of said one hundred twenty (120) days, enter into such Assignment or Sublease of the Premises or portion thereof, upon the terms and conditions (and at the minimum or higher rent) set forth in the notice furnished by Tenant to Landlord pursuant to Section 20 2 hereof

20 4 No Release of Tenant No consent by Landlord to any Assignment or Sublease by Tenant (except as to an Assignment or Sublease to Landlord) shall relieve or release Tenant of any obligation to be performed by Tenant under this Lease, whether arising before or after the Assignment or Sublease The consent by Landlord to any Assignment or Sublease shall not relieve Tenant from the obligation to obtain Landlord's express written consent to any other Assignment or Sublease Any Assignment or Sublease which is not in compliance with this Section 20 shall be void and, at the option of Landlord, shall constitute a material default by Tenant under this Lease In the event of a default by an Assignee of Tenant under this Lease, Tenant shall have ten (10) days after notice of such default by Landlord to recapture the leasehold from such Assignee and thereafter cure all defaults under this Lease in accordance with the terms hereof

20 5 Assumption of Tenant's Obligation Each assignee, sublessee, mortgagee, pledgee, or other transferee, other than Landlord, shall assume, as provided in this Section 20 5, all obligations of Tenant under this Lease (including without limitation those contained in this Article 20) with respect to the portion of the Premises sublet, assigned, mortgaged, pledged or transferred, and shall be and remain liable jointly and severally with Tenant for the payment of the rent, and for the performance of all the terms, covenants, conditions and agreements herein contained on Tenant's part to be performed for the term of this Lease with respect to the portion of the Premises sublet, assigned, mortgaged, pledged or transferred, provided, however, that the assignee, sublessee, mortgagee, pledgee or other transferee shall be liable to Landlord for rent only in the amount set forth in the Assignment or Sublease. No Assignment shall be binding on Landlord unless the assignee or Tenant shall deliver to Landlord a counterpart of the Assignment and an instrument in recordable form which contains a covenant of assumption by the assignee, consistent with the requirements of this Section 20 5, but the failure or refusal of the assignee to execute such instrument of assumption shall not release or discharge the assignee from its liability as set forth above.

21 Transfer of Landlord's Interest

In the event of any sale or other transfer of Landlord's interest in the Building, other than a transfer for security purposes only, Landlord shall automatically be relieved of any and all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer, provided that the transferee expressly assumes in an instrument in recordable form delivered to Tenant all obligations of Landlord under this Lease (including without limitation those contained in this Section 21) subject to any rights to abatement in rent which Tenant has at the time of such transfer, except as provided in Section 23 2.

22 Defaults and Remedies.

22 1 Defaults by Tenant The occurrence of any of the following shall constitute a default and material breach of this Lease by Tenant

(1) The failure by Tenant to pay the rent or make any other payment required to be made by Tenant hereunder as and when due where such failure continues for fifteen (15) days after notice thereof by Landlord to Tenant, provided, however, that such notice shall be in lieu of and not in addition to any notice required under Pennsylvania law

(11) The failure by Tenant to observe or perform the provisions of Sections 10 1 and 12 1 where such failure continues and is not remedied within thirty (30) days after notice thereof from Landlord to Tenant Such thirty (30) day notice shall be in lieu of and not in addition to any notice required under Pennsylvania law

(111) The failure by Tenant to observe or perform any other term or provision of this Lease (including, without limitation, the Parking Facility Rules and Regulations attached hereto as Exhibit "F" and the Rules and Regulations attached hereto as Exhibit "I") to be observed or performed by Tenant, where such failure continues for thirty (30) days after notice thereof by Landlord to Tenant, provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within such thirty (30) day period commence such cure and thereafter diligently prosecute the same to completion Such thirty (30) day notice shall be in lieu of and not in addition to any notice required under Pennsylvania law

(1v) Any action taken by or against Tenant pursuant to any statute pertaining to bankruptcy or insolvency or the reorganization of Tenant (unless, in the case of a case filed against Tenant, the same is dismissed within ninety (90) days), the making by Tenant of any general assignment for the

benefit of creditors, the appointment of a trustee or receiver to take possession of all or any portion of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within ninety (90) days, or the attachment, execution, or other judicial seizure of all or any portion of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within ninety (90) days, unless Tenant at all times has paid all Basic Rent and additional rent coming due hereunder

(v) Tenant's failure to vacate and surrender the Premises as required by the Lease upon the expiration of the term or termination of this Lease

22 2 Acceleration of Rent

(a) In the event of any such default by Tenant as set forth in Section 22 1, then, in addition to any other remedies available to Landlord at law or in equity

(1) The whole rent for the balance of the term of this Lease, as hereinafter computed or any part thereof, at the option of the Landlord, shall immediately without notice, become due and payable as if by the terms of this Lease the same were payable in advance, and

(11) Landlord may immediately proceed to distrain, collect or bring action for the whole rent or such part thereof as aforesaid, as being rent in arrears, or may file a Proof of Claim in any bankruptcy or insolvency proceeding for such rent, or Landlord may institute any other proceedings, whether similar to the foregoing or not, to enforce payment thereof, and

(111) At Landlord's option, Landlord may recover other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law

(b) Rent for each year for the balance of the term after the occurrence of any default by Tenant, for the purpose of computing the rent reserved hereunder for the unexpired portion of the term of this Lease under subsection (a) above,

shall be computed as equal to the Basic Rent and additional rent payable by Tenant for the previous twelve (12) months ending on the date of Tenant's default, plus any increases in said Basic Rent and additional rent which are specifically set forth in this Lease

The term "rent" as used herein shall be deemed to be and to mean the Basic Rent, rent adjustments pursuant to Section 4 2 and Section 5 and all other amounts required to be paid by Tenant pursuant to the terms of this Lease

22 3 Repossession of Premises In the event of a default by Tenant as set forth in Section 22 1 and as long as the whole rent or any part thereof as aforesaid remains unpaid, then Landlord may, at any time thereafter re-enter and repossess the Premises and any part thereof and attempt to relet all or any part of such Premises for the account of Tenant upon such terms and to such persons, firms or corporations and for such period or periods as Landlord, in its sole discretion, shall determine, including a term beyond the termination of this Lease, and Landlord shall not be required to accept any tenant offered by Tenant or observe any instruction given by Tenant about such reletting, or do any act or exercise any care or diligence with respect to such reletting or to the mitigation of damages For the purpose of such reletting, Landlord may decorate or make repairs, changes, alterations or additions in or to the Premises to the extent deemed by Landlord desirable or convenient, and the cost of such decoration, repairs, changes, alterations or additions shall be charged to and be payable by Tenant as additional rent hereunder as well as any reasonable brokerage and legal fees expended by Landlord, and any sums collected by Landlord from any new tenant obtained on account of the Tenant shall be credited against the balance of the rent due hereunder as aforesaid

22 4 Termination of Lease At any time after any default by Tenant, as set forth in Section 22 1, shall occur, Landlord, at its option, may serve notice upon Tenant that

this Lease and the term hereof shall cease and expire and become absolutely void on the date specified in such notice, to be not less than five (5) days after the date of such notice, and thereupon, and at the expiration of the time stated in such notice, this Lease and the term hereof, as well as all of the right, title and interest of Tenant hereunder, shall wholly cease and expire and become void in the same manner and with the same force and effect (except as to Tenant's liability) as if the date fixed in such notice were the date herein specified for expiration of the term of this Lease Thereupon, Tenant shall immediately quit and surrender to Landlord the Premises, and Landlord may enter into and repossess the Premises by summary proceedings, detainer, ejectment or otherwise, and remove all occupants thereof and, at Landlord's option, any property thereon without being liable to indictment, prosecution or damage therefor

22 5 Re-entry by Landlord Upon the occurrence of any default by Tenant, then Landlord or any person acting under Landlord may enter the Premises and all costs and commissions in connection therewith, including watchmen's wages, and further including the five percent (5%) chargeable by the Act of Assembly and payable to Landlord, shall be paid by the Tenant, and in such case, all such costs, commissions and other charges shall immediately attach and become part of the claim of Landlord for rent, and any tender of rent without said costs shall not be sufficient to satisfy the claim of Landlord

22 6 Waivers of Notice If proceedings shall be commenced by Landlord to recover possession under the Acts of Assembly, either at the end of a term or upon the occurrence of any default, as defined in Section 22 1, Tenant expressly waives all rights to notice in excess of five (5) days required by the Act of Assembly, including the Act of December 14, 1863, the Act of April 3, 1830, and/or the Act of April 6, 1951, and agrees that in either or any such case, five (5) days notice shall be sufficient Without limitation of or by the foregoing, Tenant hereby waives any and all

demand, notices of intention and notices of action or proceedings which may be required by law to be given or taken prior to any entry or re-entry by summary proceedings, ejectment or otherwise, by Landlord, except as hereinbefore expressly provided with respect to the five (5) days notice and provided further that this shall not be construed as a waiver by Tenant of any notices to which this Lease expressly provides that Tenant is entitled

22 7 Waiver of Recovery by Tenant In the event of a termination of this Lease, prior to the date of expiration herein originally fixed, whether by reason of service of a notice as provided herein terminating this Lease or by reason of entry or re-entry, summary proceedings, ejectment or other operation of law, Tenant hereby waives all right to recover or regain possession of the Premises, to save forfeiture by payment of rent due or by other performance of the conditions, terms or provisions hereof, if such termination occurred by reason of a failure in performance hereof, and without limitation of or by the foregoing, Tenant waives all right to re-instate or redeem this Lease notwithstanding any provisions of any statute, law or decision now or hereafter in force or effect, and Tenant waives all right to any second or further trial in summary proceedings, ejectment or in any other action provided by any statute or decision now or hereafter in force or effect

22 8 Entry and Re-entry Defined The words "entry" and "re-entry" as used in this Lease shall not be deemed restricted to their technical legal meaning

22 9 Breach by Tenant/Right of Landlord to Injunction In the event of a breach by Tenant of any of the agreements, conditions, covenants or terms hereof, Landlord shall have the right of injunction to restrain the same and the right to invoke any remedy allowed by law or in equity whether or not other remedies, indemnity or reimbursements are herein provided The rights and remedies given to Landlord in this Lease are distinct, separate and cumulative remedies, and no one of them,

whether or not exercised by Landlord, shall be deemed to be in exclusion of any of the others

22 10 Waiver of Jury Trial It is mutually agreed by and between Landlord and Tenant that they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, and/or any claim of injury or damage, or for the enforcement of any remedy under any statute, emergency or otherwise

22 11 Landlord's Remedies Cumulative All remedies provided to Landlord herein shall be cumulative

22 12 Notice of Termination No reentry or taking possession of the Premises by Landlord pursuant to this Article 22 shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction Notwithstanding any reletting without termination by Landlord because of any default by Tenant, Landlord may at any time after such reletting elect to terminate this Lease for any such default

22 13 Definition of Tenant If this Lease has been assigned, the term "Tenant," as used in this Article 22 shall be deemed to include both the assignee and the assignor

23 Subordination

23 1 Self-operative This Lease is subject and subordinate to all mortgages and trust deeds affecting the Land, the Building, and/or the Project (the "Underlying Mortgages") which may now or hereafter be executed affecting the Land, the Building, and/or the Project and to all renewals, modifications, consolidations, replacements and extensions of any such leases, mortgages or trust deeds This clause shall be self-operative and no further instrument or subordination need be required by any mortgagee or beneficiary, affecting any Underlying Mortgage

in order to make such subordination effective Tenant, however, shall execute promptly any certificate or document that Landlord may request to evidence or confirm such subordination Landlord shall expend its reasonable best efforts to obtain a non-disturbance agreement from any existing holder of an Underlying Mortgage, provided that any fees and costs charged by such holder and reasonable attorneys' fees incurred by Landlord in connection therewith shall be paid by Tenant within fifteen (15) days after demand therefor by Landlord

23 2 Attornment If Landlord's interest in the Land, the Building and/or the Project is sold or conveyed upon the exercise of any remedy provided for in any Underlying Mortgage, or otherwise by operation of law, Tenant covenants and agrees that (a) the person or entity succeeding to the interest of Landlord in the Land, the Building and/or the Project shall not be liable for any act or omission of Landlord under this Lease occurring prior to such sale or conveyance, shall not be subject to any offset, abatement or reduction of rent because of any default of Landlord under this Lease occurring prior to such sale or conveyance, and shall not be liable for the return of any security deposit paid by Tenant except to the extent that the security deposit has actually been paid to such person or entity, (b) this Lease will not be affected in any way and Tenant will attorn to and recognize the owner which so acquires Landlord's interest as Tenant's landlord under this Lease, unless such owner shall elect to terminate this Lease and the rights of Tenant hereunder, and (c) to execute and deliver at any time upon request of Landlord or any person, entity, firm or corporation which shall succeed to the interest of Landlord under this Lease, an instrument to evidence such attornment In consideration of the foregoing, in the event of any such termination of Landlord's interest under this Lease, the owner which acquires Landlord's interest shall, in writing and subject to the observance and performance by Tenant of all its obligations under this Lease, recognize this Lease and Tenant's rights under this Lease, unless such owner shall elect to terminate this lease and the rights of Tenant hereunder

23 3 Notice from Tenant Tenant shall give written notice to the holder of any Underlying Mortgage whose name and address have been previously furnished to Tenant of (a) any act or omission by Landlord which Tenant asserts as giving Tenant the right to terminate this Lease or to claim a partial or total eviction or any other right or remedy under this Lease or as provided by law, and (b) any other matter or event with respect to which Tenant is required or permitted to give written notice to Landlord. Tenant further agrees that if Landlord shall have failed to cure any default under subsection (a) above within the time period provided for in this Lease, then the holder of any Underlying Mortgage shall have an additional sixty (60) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such sixty (60) days such holder has commenced and is diligently pursuing the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

24 Estoppel Certificate

Each party shall, at any time and from time to time upon not less than fifteen (15) days prior written notice by the other party, execute, acknowledge and deliver to the requesting party a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified and stating the modifications), the dates to which the Basic Rent, additional rent and other charges have been paid in advance, if any, stating whether or not to the best knowledge of the certifying party, the requesting party is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which such party may have knowledge and containing any other information and certifications which reasonably may be requested.

by the requesting party or the holder of any Underlying Mortgage Any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the fee of the Building or the Project or any mortgagee, ground lessor or other like encumbrancer upon the Building or the Project

25 Surrender of Premises and Removal of Property

25 1 No Merger The voluntary or other surrender of this Lease by Tenant, or a termination thereof, shall not constitute a merger, and shall at the option of Landlord, operate as an assignment to Landlord of any or all subleases or subtenancies affecting the Premises

25 2 Surrender of Premises Upon the expiration of the term of this Lease, or upon any earlier termination hereof and except as provided in Section 12 hereof and in the Services Agreement described in Article 36 below, Tenant shall quit and surrender possession of the Premises to Landlord in as good order and condition as the Premises are now or hereafter may be improved by Landlord or Tenant, reasonable wear and tear and repairs which are Landlord's obligation excepted, and shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, all furniture, equipment, business and trade fixtures, free-standing cabinet work, movable partitioning and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and all similar articles of any other persons claiming under Tenant unless Landlord exercises its option to have any subleases or subtenancies assigned to Landlord, and Tenant shall repair all damage to the Premises resulting from such removal

25 3 Disposal of Property Subject to the provisions of the Services Agreement described in Article 36 below, in the event of the expiration or termination of this Lease or other reentry of the Premises by Landlord as provided in this Lease, any personal property or trade fixtures of Tenant not removed by Tenant upon the expiration of the term of this Lease, or within forty-eight (48) hours after a termination by reason of Tenant's default, shall be considered abandoned and Landlord may remove

any or all of such property and dispose of same in any manner or store the same in a public warehouse or elsewhere for the account of, and at the expense and risk of, Tenant. If Tenant shall fail to pay the costs of storing any such property after it has been stored for a period of thirty (30) days or more, Landlord may sell any or all of such property at public or private sale, in such manner and at such times and places as Landlord, in its sole discretion, may deem proper, without notice to or demand upon Tenant. In the event of such sale, Landlord shall apply the proceeds thereof, first, to the cost and expense of sale, including reasonable attorneys' fees, second, to the payment of the cost of removal and storage, third, to the payment of any other sums which may then or thereafter be due to Landlord from Tenant under any of the terms of this Lease, and, fourth, the balance, if any, to Tenant.

25 4 Fixtures and Improvements Subject to Tenant's right to remove or relocate Tenant Alterations during the term hereof pursuant to Section 12 2 and subject to the provisions of the Services Agreement described in Article 36 below, all fixtures, equipment, alterations, additions, improvements and/or appurtenances (excluding supplemental air conditioning units in the Premises installed at Tenant's expense) attached to or built into the Premises prior to or during the term hereof, whether by Landlord at its expense or at the expense of Tenant, or both, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the term of this Lease, unless such removal is required by Landlord pursuant to the provisions of Section 12 2 hereof. Such fixtures, equipment, alterations, additions, improvements and/or appurtenances shall include, without limitation, the items described in Section 12 2 hereof.

26 Holding Over

In the event Tenant holds over after the expiration of the term of this Lease, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and not a renewal hereof or an extension for any further

term, and such month-to-month tenancy shall be subject to each and every term, covenant and agreement contained herein, provided, however, that Tenant shall pay as Basic Rent during any holding over period longer than one (1) month, an amount equal to two (2) times the Basic Rent payable immediately preceding the expiration of the term of this Lease. Any rent payable under the preceding sentence shall be credited against any damages incurred by Landlord by reason of such holding over. Nothing in this Section 26 shall be construed as a consent by Landlord to any holding over by Tenant and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises upon the expiration of the term of this Lease or upon the earlier termination hereof and to assert any remedy in law or equity to evict Tenant and/or collect damages in connection with such holding over.

27 Landlord's Right to Perform, Late Charges

27.1 Landlord's Right to Perform All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole expense and without abatement of rent. Upon a default by Tenant under this Lease, as defined in Section 22.1 hereof, Landlord may, upon not less than thirty (30) days notice to Tenant, without obligation, and without waiving or releasing Tenant from any default or obligations of Tenant, make any such payment or perform any such obligation required by this Lease on Tenant's part to be performed. All sums so paid by Landlord and all costs incurred by Landlord, including reasonable attorneys' fees, together with interest thereon in a per annum amount equal to the Prime Rate of Interest (but not in excess of the maximum rate permitted by law), shall be payable to Landlord on demand and Tenant covenants to pay any such sums, and Landlord shall have (in addition to any other right or remedy hereunder) the same rights and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of rent.

27 2 Late Charges A late charge may be assessed by one party against the other party in a per annum amount equal to the Prime Rate of Interest from the date any payment is due to be paid to the first party hereunder until paid by such other party, provided in no event shall charges exceed the maximum interest rate permitted by law The assessment or payment of such late charge, however, shall not excuse or be deemed to cure any default by the paying party hereunder

28 Quiet Enjoyment

Tenant, upon payment of all rent required hereunder and performing each of the covenants, agreements and conditions of this Lease required to be performed by Tenant, shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Lease without hindrance or molestation of anyone lawfully claiming by, through or under Landlord, subject, however, to the provisions set forth in this Lease

29 Construction of Building and Project

Landlord shall proceed with all reasonable diligence to construct the Building in accordance with the requirements of Landlord's Work Letter

30 Excavation

Landlord shall have the right to utilize the Land for purposes of excavation and shall have the right to authorize the use of, and grant temporary licenses and easements over, the Land to owners of adjacent property or governmental authorities for excavation purposes If an excavation is made upon any of the Land adjacent to the Building by Landlord or said owner of adjacent property, Tenant shall license and authorize Landlord or said owner to enter on to the Premises for the purpose of performing such work in connection with the excavation as may be necessary or prudent to preserve the Building and other portions of the Project from injury or damage, provided Landlord shall use its best efforts to disturb Tenant's possession of the

Premises as little as possible for as short a time as possible Tenant shall have no claim for damages or indemnity against Landlord or any right to abatement of rent in connection therewith

31 Computation of Rentable Area

31 1 Single-Tenant Floor For purposes of this Lease, the Rentable Area of a single-tenant floor shall be computed by measuring from the centerline of the Building exterior glass walls (or from the inside perimeter of the exterior walls of the Building if they are less than fifty percent (50%) glass) and shall include all areas within said Building exterior walls including, without limitation, all janitor closets, electrical, telephone and mechanical closets, fan rooms, air-conditioning rooms and maintenance rooms plus the tenant's proportionate share of the Building Common Areas (as defined in Section 31 3) Rentable Area shall exclude only vertical pipe and duct shafts, flues, public stairs controlled by Landlord and vertical shafts for building elevators No deductions shall be made for columns or projections to the Building or the stairs, flues, pipe and duct shafts or elevators installed by Tenant

31 2 Multi-Tenant Floor The Rentable Area of premises on a multi-tenant floor shall be computed by (a) measuring from the centerline of the Building exterior glass walls (or from the inside perimeter of the exterior walls of the Building if they are less than fifty percent (50%) glass) to the centerline of the public area or core partition and to the centerline of partitions that separate such premises from adjoining premises, and (b) then multiplying the rentable area of such floor determined as if it were a single-tenant floor (in accordance with Section 31 1) by a fraction, the numerator of which is the rentable area of the premises as determined in accordance with the preceding clause (a) and the denominator of which is the aggregate rentable area of all premises on said floor as determined for each of such premises in accordance with said preceding clause (a) No deductions shall be made for columns

or projections necessary to the Building or for stairs, flues, pipe and duct shafts or elevators installed by Tenant

31.3 Building Common Areas Landlord and Tenant specifically agree that all enclosed floor areas in the Building have been constructed for the benefit of Tenant and the other tenants in the Building. All tenants in the Building must equitably share the cost of those areas in the Building which contribute to the access, comfort, use and enjoyment of the premises of each tenant and for that purpose Landlord and Tenant agree that each tenant in the Building, including Tenant, shall bear its "proportionate share of the Building Common Areas," as defined herein. For purposes hereof, "Building Common Areas" shall be defined as the total gross Building area less all Rentable Area in the Building (determined pursuant to Sections 31.1 and 31.2), and shall include, without limitation, mechanical areas in the sub-basement and basement, mechanical penthouse, telephone closet, electrical closet, common toilet areas in mezzanine and throughout the Building (which are not part of the premises of any tenant), janitor's toilet area in basement, elevator lobbies and ground floor lobbies in the Building. Notwithstanding the foregoing, it is specifically agreed that the corridor area on any multi-tenant floor shall not be part of the Building Common Areas and shall be allocated solely to the tenants on said multi-tenant floor, in accordance with Section 31.2 hereof. Tenant's "proportionate share of the Building Common Areas" shall be determined by multiplying the total square footage of the Building Common Areas by a fraction, the numerator of which is the number of square feet of Rentable Area in Tenant's Premises and the denominator of which is the total square footage of all Rentable Area in the Building. The parties agree that the Tenant's proportionate share of the Building Common Areas shall be determined on or before the Commencement Date of the Lease and shall be fixed for the balance of the term of the Lease, regardless of any changes, alterations or additions to the Building, but subject to re-adjustment in the event of any increase or decrease in the

Rentable Area of the Premises during the term hereof Landlord
agrees to include this Section 31 3 in all leases for the
Building

31 4 Building The Rentable Area of the Building shall
be the sum of the total of the Rentable Areas of all premises in
the Building plus the area of the Building Common Areas

32 Examination of Lease

The submission of this instrument for examination or
signature by Tenant, Tenant's agents or attorneys, does not
constitute a reservation of, or an option to lease, and this
instrument shall not be effective or binding as a lease or
otherwise until its execution and delivery by both Landlord and
Tenant

33 Broker

Landlord and Tenant each warrants and represents to the
other that it has not had any contact or dealings with any
person or broker which would give rise to the payment of any fee
or brokerage commission in connection with the negotiation or
consummation of this Lease, and Landlord and Tenant shall each
indemnify and hold harmless the other from and against any
liability with respect to any fee or brokerage commission
arising out of any act or omission of the indemnifying party

34 Rules and Regulations

The Rules and Regulations for the Building attached hereto
as Exhibit "I" and the Rules and Regulations for the Parking
Garage attached hereto as Exhibit "E" are hereby incorporated
herein and made a part of this Lease Upon formulation by
Landlord and delivery to Tenant, any rules and regulations
provided for under other sections of the Lease (including
Section 9 1) shall become part of this Lease Tenant agrees to
abide by and comply with each and every of said Rules and
Regulations and any amendments, modifications and/or additions
thereto as may hereafter be adopted by Landlord for the safety,

care, security, good order and cleanliness of the Premises, the Building, the Parking Garage or any other portion of the Project, provided such Rules and Regulations are non-discriminatory and are consistent with this Lease and the operation of a first-class office building and are in conformity with practices and usage in similar first class office buildings and attendant parking facilities. Landlord shall not be liable to Tenant for any violation of any Rules and Regulations by any other tenant or for the failure of Landlord to enforce any of the Rules and Regulations.

35 Directory Board

Tenant shall have the right, at Landlord's expense, to designate one name (a department or individual) per one thousand square feet of Rentable Area in the Premises on the directory board in the lobby of the Building, and shall have the further right, at Tenant's option, to cause each of said names to be grouped in one location on the directory board in addition to having such names listed alphabetically. Any changes in the directory board required by Tenant subsequent to its initial designations shall be at Tenant's expense.

36 Services Agreement

Concurrently herewith, Landlord and Tenant are entering into a Communication Services and Equipment Agreement (the "Services Agreement") for the provision of certain communication services for the benefit of the Project and tenants therein. In the event of any conflict between this Lease and the Services Agreement, the terms of the Services Agreement shall control. In the event of any termination of the Services Agreement, this Lease shall also terminate automatically upon the date of such termination of the Services Agreement. In the event that this Lease shall terminate due to a material default of Tenant hereunder, Landlord may, at its option exercisable at any time after such termination, elect to terminate the Services Agreement and all rights of Tenant thereunder, notwithstanding any contrary provision contained therein or herein.

37 General Provisions

37 1 No Waiver The waiver, by Landlord or Tenant of any breach of any term, provision, covenant or condition contained in this Lease, or the failure of such party to insist on the strict performance by the other party, shall not be deemed to be a waiver of such term, provision, covenant or condition as to any subsequent breach thereof or of any other term, covenant or condition contained in this Lease. The acceptance of rents hereunder by Landlord shall not be deemed to be a waiver of any breach or default by Tenant of any term, provision, covenant or condition herein, regardless of Landlord's knowledge of such breach or default at the time of acceptance of rent.

37 2 Terms, Headings The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. The words used in neuter gender include the masculine and feminine and words in the masculine or feminine gender include the neuter. If there is more than one Tenant, the obligations hereunder imposed upon Tenant shall be joint and several. The headings or titles to the Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

37 3 Amendment This Agreement and the exhibits and attachments hereto may be altered, amended, modified or revoked only by an Agreement in writing signed by both Landlord and Tenant.

37 4 Successors and Assigns Subject to the provisions of Section 20 relating to Assignment and Sublease, this Lease is intended to and does bind the heirs, executors, administrators, successors and assigns of any and all of the parties hereto.

37 5 Notices Any notice, request, communication or demand under this Lease shall be in writing and shall be deemed properly delivered when addressed as hereinafter provided, given or served personally or by registered or certified U S mail (return receipt requested) and deposited in the United States

general or branch post office Any notice, request, communication or demand by Tenant to Landlord shall be addressed to the Landlord at 1299 Ocean Avenue, Suite 1000, Santa Monica, California 90401 until otherwise directed in writing by the Landlord with a copy to Paul S Rutter, Esq , Gilchrist & Rutter, 1299 Ocean Avenue, Suite 1000, Santa Monica, California 90401, and, if requested in writing by the Landlord, given or served simultaneously to the Landlord's mortgagee at the address specified in such request Any notice, request, communication or demand by Landlord to Tenant shall be addressed to the attention of RealCom Communications Corporation, Legal Department, 8280 Greensboro Drive, Suite 500, McLean, Virginia 22102, until otherwise directed in writing by Tenant Rejection or other refusal to accept a notice, request, communication or demand or the inability to deliver the same because of a changed address of which no notice was given shall be deemed to be receipt of the notice, request, communication or demand sent

37 6 Severability If any term or provision of this Lease, the deletion of which would not adversely affect the receipt of any material benefit by either party hereunder, shall be held invalid or unenforceable to any extent, the remaining terms, conditions and covenants of this Lease shall not be affected thereby and each of said terms, covenants and conditions shall be valid and enforceable to the fullest extent permitted by law

37 7 Time of Essence Time is of the essence of this Lease

37 8 Governing Law This Lease shall be interpreted and construed in accordance with the laws of the State of Pennsylvania

37 9 Attorneys' Fees If any action or proceeding is brought by Landlord or Tenant to interpret the provisions hereof or to enforce their respective rights under this Lease, the prevailing party shall be entitled to recover from the unsuccessful party therein all costs incurred by the prevailing party in such action or proceeding, including reasonable

attorneys' fees to be fixed by the court having jurisdiction thereof

37 10 Light and Air Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to the Building shall in no manner affect this Lease or impose any liability whatsoever on Landlord

37 11 Landlord Covenants Landlord covenants as a condition of this Lease that it shall have, on the Commencement Date, good and marketable fee title to the Building and the right to make this Lease for the term aforesaid, that the provisions of this Lease do not conflict with or violate the provisions of existing agreements between Landlord and third parties, that the Premises and Parking Garage and the uses thereof for the purposes specified in this Lease are, or shall be, in conformity with all applicable zoning and planning ordinances, and shall not violate applicable restrictions, if any, of any Certificate of Occupancy for the Premises or the Project in effect on the Commencement Date

37 12 Force Majeure Delay "Force Majeure Delays" shall mean delays due to acts of God, inability to obtain labor, strikes, lockouts, lack of materials, governmental restrictions, enemy actions, civil commotion, fire, unavoidable

casualty or other similar causes beyond Landlord's reasonable control

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first set forth above

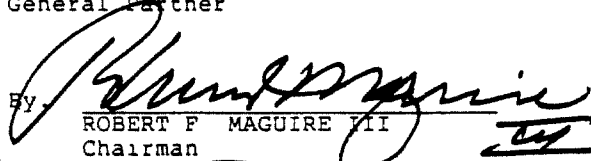
LANDLORD

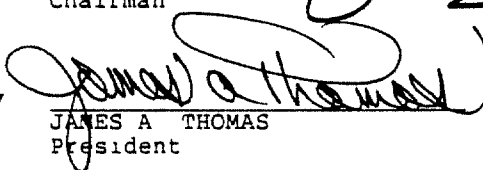
MAGUIRE/THOMAS PARTNERS-
PHILADELPHIA PLAZA ASSOCIATES

1299 Ocean Avenue, Suite 1000
Santa Monica, California 90401

By MAGUIRE/THOMAS PARTNERS-PHILADELPHIA, LTD
a California limited partnership
Partner

By MAGUIRE/THOMAS PARTNERS, INC
General Partner

By 
ROBERT F. MAGUIRE III
Chairman

By 
JAMES A. THOMAS
President

By ~~INTERNATIONAL BUSINESS MACHINES CORPORATION~~
~~a New York corporation~~
~~Partner~~

By 
~~Its~~

TENANT

REALCOM COMMUNICATIONS CORPORATION
a ~~Virginia~~ corporation
~~Delaware~~

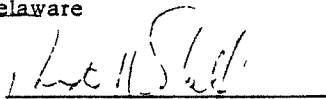
By 
Its ~~President~~

EXHIBIT "A"

LEGAL DESCRIPTION

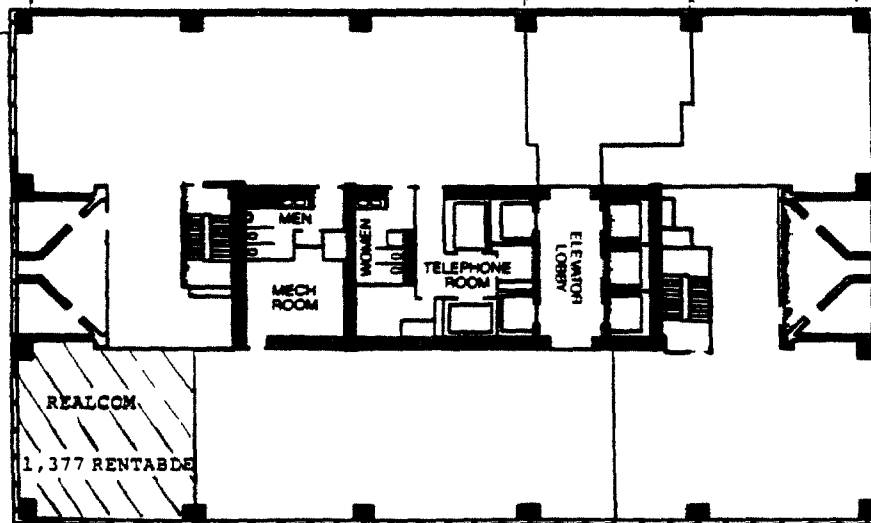
ALL THAT CERTAIN lot or piece of ground, Situate in the 8th Ward of the City of Phila , Described according to a Plan of Property made for Maguire/Thomas Partners by Barton and Martin Engineers dated May 7, 1985, To wit:

BEGINNING at the point of intersection of the Northerly side of Market St (100 feet wide) with the Easterly side of 21st St (50 feet wide), thence from said point of beginning extending along the Easterly side of 21st St crossing the bed of Commerce St (proposed to be stricken and vacated) North 11 degrees 21 minutes East 284 feet 0 inches to a point on the Southerly side of John F Kennedy Boulevard (80 feet wide) thence extending along said side of John F Kennedy Boulevard South 78 degrees 59 minutes East 306 feet 7-7/8 inches to a point thence extending South 11 degrees 06 minutes West 284 feet 0 inches crossing the bed of Commerce St (proposed to be stricken and vacated) to a point on the Northerly side of Market St thence extending along said side of Market St North 78 degrees 59 minutes West 307 feet 10-3/4 inches to a point on the said Southeasterly side of 21st St being the point and place of beginning

CONTAINING in Area 87,266 square feet (includes the bed of Commerce St)

Century
Square

FORTY-FIRST FLOOR



Commerce
Square

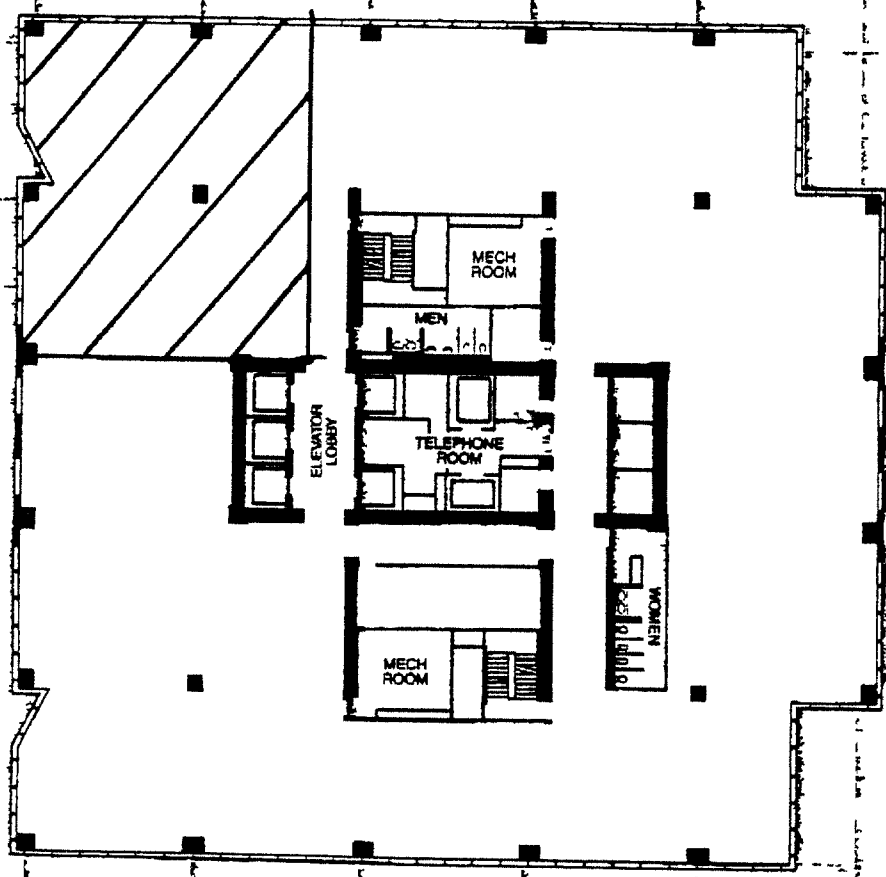


EXHIBIT B
(2 of 2)
REALCOM RENTABLE AREA
4,466 SQUARE FEET
18th floor

EXHIBIT "C"

MEMORANDUM OF LEASE COMMENCEMENT

THIS MEMORANDUM is made and entered into as
of _____ 198_, by and between MAGUIRE/THOMAS PARTNERS-
PHILADELPHIA PLAZA ASSOCIATES (the "Landlord") and REALCOM
COMMUNICATIONS CORPORATION (the "Tenant") with respect to that
certain Lease between Landlord and Tenant dated as
of _____ (the "Lease")

The term of the Lease commenced on _____,
1984, defined in Section 3.1 of the Lease as the Commencement
Date, and the term of the Lease shall expire
on _____ unless sooner terminated pursuant to
the Lease

IN WITNESS WHEREOF, Landlord and Tenant have executed
this Memorandum as of the date set forth in the first
paragraph above

LANDLORD

MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES
a Pennsylvania partnership
1299 Ocean Avenue, Suite 1000
Santa Monica, California 90401

By MAGUIRE/THOMAS PARTNERS-PHILADELPHIA, LTD
a California limited partnership
a General Partner

By MAGUIRE/THOMAS PARTNERS, INC
a California corporation
Its General Partner

By _____

By INTERNATIONAL BUSINESS MACHINES CORPORATION
a New York corporation
Partner

By _____
Its _____

TENANT

REALCOM COMMUNICATIONS CORPORATION
a Virginia corporation

By _____
Its _____

EXHIBIT "D"

LANDLORD'S WORK LETTER

This Work Letter supplements the Office Lease (the "Lease") dated July 1, 1987, executed concurrently herewith, by and between MAGUIRE/THOMAS PARTNERS-PHILADELPHIA PLAZA ASSOCIATES as Landlord, and REALCOM COMMUNICATIONS CORPORATION, as Tenant, covering certain premises described in the Lease (the "Premises")

The parties hereby agree as follows

1 Construction of Building

1.1 Building Landlord shall construct the Building and the related facilities typically found in a first-class highrise downtown Philadelphia office building, including, without limitation, (a) the building shell, (b) the core area, including necessary mechanical, electrical, plumbing, life safety, heating, air conditioning and ventilation systems within the Building core stubbed out to the face of the core wall, (c) core area toilet rooms including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, (d) exterior dry wall or lath and plaster covering the exposed side of all exposed core walls, perimeter columns and the interior exposed side of all exterior building wall areas except at windows, and (e) heating and air conditioning duct mains into the Building, (f) public stairways, (g) passenger and freight elevators, (h) parking facilities, (i) ground floor lobby, (j) unfinished elevator lobbies (except for dry-wall, taped walls and elevator doors), (k) exterior plazas and landscaping, (l) sprinkler loop from core into the Premises, (m) Building Standard window coverings, and (n) loading dock (collectively referred to as the "Base Building Work") It is the intention of Landlord to design and construct the Building in a manner and quality typical of other first-class highrise office buildings in downtown Philadelphia, Pennsylvania Landlord shall design

and construct the Building to meet the requirements of typical office tenants in downtown Philadelphia, Pennsylvania

1 2 The initial construction and improvement of the Premises shall be governed by the provisions of Exhibit B to the Services Agreement described in Article 36 of the Lease Tenant's acceptance of the Premises shall be governed by Section 3 3 of the Lease

EXHIBIT "E"

PARKING FACILITY RULES AND REGULATIONS

1 Hours of Operation

The parking garage facilities will be operated on a 7-day week, 24 hour a day basis, provided, however, Landlord reserves the right to establish a schedule of operations commensurate with the type of patronage and volume of business, which shall be determined by Landlord in its sole discretion

2 No Obstruction, Controlled Access

The driveways, passages, exits, entrances, elevators and stairways shall not be obstructed by anyone using the parking facilities for any purpose other than ingress to and egress from his or her parking location. Landlord shall in all cases retain the right to control and prevent access to the parking facilities by all persons whose presence in the reasonable judgment of Landlord shall be prejudicial to the safety, character, reputation and interest of the Building, the Project, and their tenants. No person using the parking facilities shall go into any unauthorized location so designated within the structure.

3 Payment by Customers/Transients

Each parking facility customer, upon termination of his stay in the facility, shall deliver to the garage operators located at the exits of the facility, the parking ticket and appropriate compensation for the use of the facilities as designated by the rate structure.

4 Monthly Parking

Monthly garage parking customers shall pay for their parking privileges on or before the third working day of the month. Upon termination as a monthly customer, the customer shall deliver to Landlord or garage operator all cards, stickers, or other means of identification that allow access to the parking facilities.

5 No Freight in Garage

No furniture, packages, supplies, merchandise, freight or equipment of any kind shall be brought in the parking facilities without the consent of Landlord or garage operator. All moving of such items into or out of the Building shall be via the Building's freight handling facilities unless otherwise directed by Landlord at such reasonable time and in such reasonable manner as Landlord shall prescribe. No hand trucks or vehicles (other than a wheelchair for an individual) shall be used in the Parking Garage elevators. Any hand trucks permitted in the parking facilities must be equipped with soft rubber tires and sideguards.

6 Right to Specify Equipment

Landlord shall have the right to prescribe the weight, size and position of all heavy equipment brought into the parking facilities and also the times and manner of moving the same in and out of the parking facilities.

7 Limitations on Use

Garage customers shall not use, keep or permit to be used or kept any foul, noxious or dangerous substance in the parking facilities or permit or suffer the facilities to be occupied and/or used in any manner offensive or objectionable to Landlord or other occupants of the parking facilities by reason of noise, odors, and/or vibrations, or interfere in any way with other garage customers or those having business therein, nor shall any animals or birds be brought in or kept in or about the parking facilities (other than as required for handicapped persons).

8 Right to Close Garage

Landlord and the garage operator reserve the right to close and keep locked all entrance and exit doors and otherwise regulate access of all persons to the parking facilities on Sundays and legal holidays and all other days between the hours of 7 00 p m and 7 00 a m and at other times as Landlord may deem advisable for the adequate protection and safety of the parking facilities, their occupants and property,

provided that bona fide holders of parking passes shall have access at all times to the parking facilities Access to the parking facilities may be refused unless the person seeking access agrees to abide by the rules established and pay for his stay in accordance with the rate structure Landlord shall in no case be liable for damage or any error with regard to the admission or exclusion from the parking facilities of any person

9 Right to Refuse Admission

Landlord or garage operator may refuse admission to the parking facilities outside of ordinary business hours of any person not known to the attendant in charge (or who does not possess adequate Building identification) or any person whose presence in the parking facilities shall in the reasonable judgment of Landlord or garage operator be prejudicial to the safety, character, reputation and interest of the parking facilities or the Building Landlord or garage operator may require any person leaving the garage facility with any package or any other object to exhibit a pass from the Building tenant from whose premises the package or object is being removed, but the establishment and enforcement of such requirement does not impose any responsibility on Landlord for the protection of any Building tenant against removal of property from the premises of the tenant

10 No Food or Beverages

No person shall be allowed to transport or carry beverages, food, food containers, etc , on any of the parking facility shuttle elevators The transportation of such items shall be via the service elevators in such manner as prescribed by Landlord or garage operator

11 Own Risk

It is understood that all vehicles enter the garage facility at their own risk

12 Speed Limit

In no case shall anyone operating a vehicle within the parking facilities do so at a speed greater than five (5)

miles per hour In addition, all vehicle operators will drive in a safe and careful manner so as to preclude damaging the parking facilities or other vehicles and property in the parking structure, or injuring persons in the parking facilities or their general vicinity

13 Clearance

All vehicles shall have a maximum verticle clearance of 6' 8", and vehicles of a larger size shall not be allowed into the parking facilities

14 Lease Requirements

Tenants in the Building are obligated to pay for parking passes allocated to them under lease arrangements whether or not such tenants plan to use the allocated passes

EXHIBIT "F"
HVAC SPECIFICATIONS

Landlord shall provide a high quality air-conditioning system on a year-round basis throughout the Premises and common areas. Interior space shall be provided with thermostatically controlled zones. The system shall maintain an average inside temperature of 75° +/- 2 degrees during summer outdoor temperatures of 90° F D B and 74° F W B and 70° F D B at winter outside temperatures at 14° F D B and in accordance with an occupancy of one person per 200 square feet (average per floor) and an electrical load of 4 watts per square foot (lighting and power). These temperatures are subject to the conditions and requirements of State and Federal Energy Regulating Bodies for non-residential buildings (collectively "regulatory requirements").

All conditions are 1975 ASHRAE Standard for energy conservation and Building design.

EXHIBIT "G"

CLEANING SPECIFICATIONS

A OFFICE AREAS

- Daily (Five days each week, including Monday through Thursday, and excluding the holidays set forth in Section 9.1 of the Lease)
- 1 Empty and clean all waste receptacles and ash trays remove waste materials from the Premises, wash receptacles as necessary
 - 2 Dry-mop all uncarpeted areas
 - 3 Vacuum all rugs and carpet areas in offices, lobbies and corridors
 - 4 Hand-dust all office furniture, fixtures and all other horizontal surfaces (but only to the extent surfaces are cleared of all materials such as papers, documents and files)
 - 5 Sweep all private stairways, vacuum if carpeted
 - 6 Police all stairwells throughout the entire Building and keep in clean condition
 - 7 Spot-clean carpeting as required
 - 8 Spot-clean spill marks on resilient floor tile
 - 9 It is understood that Landlord shall have no obligation (a) to wash or otherwise clean dishes, glasses and other utensils used for preparing food or beverages or (b) to remove or store such dishes, glasses and other utensils in order to clean any area, fixture or surface of the Premises

Weekly

- 1 Hand dust all door louvers and other ventilating louvers
- 2 Dust and/or wash all directory boards and display glass weekly, remove fingerprints and smudges nightly
- 3 Wipe clean and polish all metal and bright work
- 4 Damp-mop and polish all resilient flooring in the Premises and public corridors and elevator lobbies, more often if necessary
- 5 Wash, clean and polish all water coolers and fountains
- 6 Dust in place all picture frames, charts, graphs, and similar wall hangings
- 7 Spot-clean all wall marks
- 8 Clean glass around entrance doors

Monthly

- 1 Wash and polish all resilient floors
- 2 Dust all paneled walls and doors and other similar surfaces not reached in nightly or weekly cleaning
- 3 Vacuum all ventilating and air-conditioning louvers, high moldings, and other areas not reached in nightly or weekly cleaning
- 4 Remove all finger marks and smudges from doors, door frames, around light switches, private entrance glass and partitions

Quarterly

- 1 Dust exterior of lighting fixtures

B LAVATORIES

Daily (Five days each week, including Monday through Thursday, and excluding the holidays set forth in Section 9 1 of the Lease)

- 1 Clean and damp-mop floors
- 2 Wash and polish all mirrors, bright work and enameled surfaces
- 3 Wash and sanitize all basins, bowls and urinals
- 4 Wash and sanitize toilet seats
- 5 Dust, and clean, wash where necessary, all partitions, tile walls and all dispensers and receptacles
- 6 Empty and sanitize all receptacles and sanitary disposals
- 7 Provide materials and fill tissue-holders, towel, sanitary napkins and soap dispensers

Monthly

- 1 Machine-scrub lavatory floors, apply floor finishing where applicable
- 2 Wash and polish all partitions, tile walls and enamel surfaces

Every Ninety Days

- 1 Wash windows
- 2 Vacuum all louvers, ventilating grilles and dust light fixtures

C MISCELLANEOUS SERVICES

- 1 Maintain building lobby, corridors and other public areas in a clean and orderly condition
- 2 Police all lavatories, refill dispensers, clean and polish all mirrors and fixtures at least twice each day
- 3 Damp-mop spillage in office and public areas as required

D GLASS CLEANING

- 1 Windows will be washed every 90 days, except when rendered impracticable by inclement weather

This cleaning specification may be changed or altered from time to time to facilitate the inclusion of the latest methods of maintenance and cleaning technology generally recognized as acceptable for a first-class office building

EXHIBIT "I"

RULES AND REGULATIONS

1 Except as otherwise provided in the Lease or any exhibits thereto, no sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside or inside of the Building without the written consent of Landlord first had and obtained. Landlord shall have the right to remove any such sign, placard, picture, advertisement, name or notice, unless Landlord has given written consent, without notice to and at the expense of Tenant. Landlord shall not be liable in damages for such removal unless the written consent of Landlord has been obtained.

All approved signs or lettering on doors and walls to the Premises shall be printed, painted, affixed or inscribed at the expense of Tenant by Landlord or by a person approved by Landlord in a manner and style acceptable to Landlord.

Tenant shall not use any blinds, shades, awnings, or screens in connection with any window or door of the Premises unless approved in writing by Landlord. Tenant shall not use any drape or window covering facing any exterior glass surface other than the standard drape established by Landlord.

2 Except as otherwise provided in the Lease or any exhibits thereto, Tenant shall not obtain for use upon the Premises, food, milk, soft drinks, bottled water, plant maintenance and all other services, except from persons authorized by Landlord and at the hours and under regulations fixed by Landlord. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without the prior written consent of Landlord.

3 The bulletin board or directory of the Building shall be provided exclusively for the display of the name and location of Tenants only and Landlord reserves the right to exclude any other names therefrom and otherwise limit the number of listings thereon

4 The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by any of Tenants or used by them for any purpose other than for ingress to and egress from their respective premises The halls, passages, exits, entrances, elevators, stairways, balconies and roof are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord shall be prejudicial to the safety, character, reputation and interests of the Building and its Tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom Tenant normally deals in the ordinary course of Tenant's business unless such persons are engaged in illegal activities No Tenant and no employees or invitees of any Tenant shall go upon the roof of the Building

5 Tenant, upon the termination of its tenancy, shall deliver to Landlord the keys of offices, rooms and toilet rooms which shall have been furnished to Tenant or which Tenant shall have made, and in the event of loss of any keys so furnished, shall pay Landlord therefor Tenant shall not alter any lock or install any new or additional locks or any bolts on any door of the Premises without the written consent of Landlord

6 The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage, or damage resulting

from the violation of this rule shall be borne by Tenant who, or whose employees or invitees, shall have caused it

7 Tenant shall not overload the floor of the Premises or mark, drive nails, screw or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof

8 No furniture, packages, supplies, merchandise, freight or equipment of any kind shall be brought into the Building without the consent of Landlord All moving of the same into or out of the Building shall be via the Building's freight handling facilities, unless otherwise directed by Landlord, at such time and in such manner as Landlord shall prescribe No hand trucks or vehicles (other than a wheelchair for an individual) shall be used in passenger elevators Any hand trucks permitted in the Building must be equipped with soft rubber tires and side guards

9 Landlord shall have the right to prescribe the weight, size and position of all sofas and other heavy equipment brought into the Building and also the times and manner of moving the same in and out of the Building

Safes or other heavy objects shall, if considered necessary by Landlord, stand on a platform of such thickness as is necessary to properly distribute the weight Landlord will not be responsible for loss of or damage to any such safe or property from any cause, and all damage done to the Building by moving or maintaining any such safe or other property shall be repaired by the expense of Tenant

10 Tenant shall not employ any person or persons other than the janitor of Landlord for the purpose of cleaning the Premises unless otherwise agreed to by Landlord Except with the written consent of Landlord no person or persons other than those approved by Landlord shall be permitted to enter the Building for the purpose of cleaning the same Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of

good order and cleanliness Landlord shall not be responsible to any Tenant for any loss of property on the Premises, however occurring, or for any damage done to the effects of any Tenant by the janitor or any other employee or other person Janitor service shall include ordinary dusting and cleaning by the janitor assigned to such work and shall not include shampooing of carpets or rugs or moving of furniture or other special services Janitor service will not be furnished on nights when rooms are occupied after 6 00 p m Window cleaning shall be done only by Landlord

11 Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in any manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or interfere in any way with other Tenant or those having business therein, nor shall any animals (other than as required for handicapped persons) or birds be brought in or kept in or about the Premises or the Building

12 No cooking shall be done or permitted by any Tenant on the Premises, nor shall the Premises be used for the manufacture or storage of merchandise, for washing clothes, for lodging, or for any improper, objectionable or immoral purpose

13 Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline or inflammable, explosive or combustible fluid or material, or use any method of heating or air-conditioning other than that supplied by Landlord

14 Landlord will direct electricians as to where and how telephone and telegraph wires are to be introduced No boring or cutting for wires or stringing of wires will be allowed without written consent of Landlord The location of telephones, call boxes and other office equipment affixed to

the Premises shall be subject to the approval of Landlord

15 No Tenant shall lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord The expenses of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by Tenant

16 Landlord reserves the right to close and keep locked all entrance and exit doors and otherwise regulate access of all persons to the halls, corridors, elevators and stairways in the Building on Sundays and legal holidays and on other days between the hours of 7 00 p m and 7 00 a m , and at such other times as Landlord may deem advisable for the adequate protection and safety of the Building, its Tenant and property in the Building Access to the Premises may be refused unless the person seeking access is known to the employee of the Building in charge, and has a pass or is otherwise properly identified Landlord shall in no case be liable for damages for any error with regard to the admission or exclusion from the Building of any person

17 Tenant shall see that the doors of the Premises are closed and securely locked before leaving the Building and must observe strict care and caution that all water apparatus are entirely shut off before Tenant or Tenant's employees leave the Building, and that all electricity, gas or air shall likewise be carefully shut off, so as to prevent waste or damage

18 Landlord may refuse admission to the Building outside of ordinary business hours to any person not known to the watchman in charge or not having a pass issued by Landlord or not properly identified, and may require all persons admitted to or leaving the Building outside of ordinary business hours to register Any person whose presence in the Building at any time shall, in the sole judgment of Landlord, be prejudicial to the safety, character, reputation and

interests of the Building or its Tenants may be denied access to the Building or may be ejected therefrom Landlord may require any person leaving the Building with any package or other object to exhibit a pass from Tenant from whose Premises the package or object is being removed, but the establishment and enforcement of such requirement shall not impose any responsibility on Landlord for the protection of any Tenant against the removal of proeprty from the Premises of Tenant

19 The requirements of Tenant shall be attended to only upon application at the office of the Building Employees of Landlord shall not perform any work or do anything outside of their regular duties unless under special instructions from the Landlord

20 No person shall be allowed to transport or carry beverages, food, food containers, etc , on any passenger elevators The transportation of such items shall be via the service elevators in such manner as prescribed by Landlord

21 Tenants shall cooperate with Landlord in obtaining maximum effectiveness of the cooling system by closing the drapes when the sun's rays fall directly on windows of the Premises Tenant shall not obstruct, alter or in any way impair the efficient operation of Landlord's heating, ventilating and air-conditioning system and shall not place bottles, machines, parcels or other articles on the induction unit enclosure so as to interfere with air flow Tenant shall not tamper with or change the setting of any thermostats or temperature control valves

22 Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name and street addresses of the buildings of which the Premises are a part

23 Landlord shall have the right to prohibit any advertising by any Tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability

as a location for offices, and upon written notice from Landlord, any Tenant shall refrain from or discontinue such advertising

24 Canvassing, soliciting and peddling within the entire Project is prohibited unless specifically approved by Landlord and each Tenant shall cooperate to prevent such activity

25 All parking ramps and areas plus other public areas forming a part of the Project shall be under the sole and absolute control of Landlord with the exclusive right to regulate and control these areas Tenant agrees to conform to the rules and regulations that may be established by Landlord for these areas from time to time

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215 568 0300/facsimile

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November 24, 2003

Via Federal Express

United States Bankruptcy Court for the
Southern District of New York
Attn Clerk of Court
Allegiance Claims Docketing Center
One Bowling Green – Room 534
New York, NY 10004-1408

Re: Allegiance Telecom, Inc (03-13057-RDD)

Dear Sir/Madam

Enclosed please find the original and one copy of a Proof of Claim in the above-referenced matter. Kindly file the original of record with the Court and return a time-stamped copy to me in the self-addressed, stamped envelope I have provided.

Thank you in advance for your cooperation in this matter.

Very truly yours,



Matthew A. Hamermesh

MAH:kem
Enclosures

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
In re

Allegiance Telecom, Inc , et al.,

Debtors
_____ X

Chapter 11 Case No
03-13057 (RDD)

Jointly Administered

**STIPULATION AND AGREED UPON ORDER RESOLVING
(I) THE DEBTORS' MOTION PURSUANT TO SECTION 365
OF THE BANKRUPTCY CODE FOR APPROVAL OF THE REJECTION OF
THE PHILADELPHIA LEASE WITH COMMERCE SQUARE PARTNERS -
PHILADELPHIA PLAZA, L P AND (II) THE MOTION OF COMMERCE SQUARE
PARTNERS - PHILADELPHIA PLAZA, L P FOR AN ORDER REQUIRING
THE IMMEDIATE ASSUMPTION OR REJECTION OF THE PHILADELPHIA
LEASE AND REQUEST FOR IMMEDIATE PAYMENT OF ADMINISTRATIVE
EXPENSES PURSUANT TO SECTION 503(a) OF THE BANKRUPTCY CODE**

Shared Technologies Allegiance, Inc ("ST"), as debtor and debtor in possession,
and Commerce Square Partners - Philadelphia Plaza, L P ("Philadelphia Plaza"), by and through
their respective undersigned attorneys, hereby stipulate and agree, subject to Court approval, as
follows

WHEREAS, on May 14, 2003 (the "Commencement Date"), ST commenced with
this Court a voluntary case under chapter 11 of title 11 of the United States Code (the
"Bankruptcy Code"),

WHEREAS, ST continues to operate its business and manage its properties as a
debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code,

WHEREAS, on or about June 17, 2002, ST acquired certain unexpired leases of
nonresidential real property from RealCom Communications Corporation ("RealCom"), an
affiliate of WorldCom, Inc , pursuant to that certain Asset Purchase Agreement, dated as of June
17, 2002, including that certain lease, dated July 1, 1987, as amended, between Philadelphia

Plaza, as landlord, and RealCom, as tenant, which governs certain premises (the “Philadelphia Premises”) located at 2005 Market Street, Philadelphia, Pennsylvania 19103 (the “Philadelphia Lease”), and

WHEREAS, on June 19, 2003, ST, together with other affiliated debtors-in-possession, filed a motion for an order pursuant to section 365(d)(4) of the Bankruptcy Code to extend the time within which to assume or reject, *inter alia*, the Philadelphia Lease,

WHEREAS, on August 4, 2003, Philadelphia Plaza filed a motion pursuant to section 365 of the Bankruptcy Code for an order requiring ST to immediately assume or reject the Philadelphia Lease, together with a request for immediate payment of administrative expense pursuant to section 503(a) of the Bankruptcy Code (the “Philadelphia Plaza Motion”), and

WHEREAS, on August 6, 2003, ST and other affiliated debtors filed a motion for an order pursuant to section 365(a) of the Bankruptcy Code authorizing debtors to reject certain unexpired leases of nonresidential real property, which included a request that ST be authorized to reject the Philadelphia Lease, to be effective as of the Commencement Date (the “Rejection Motion”),

WHEREAS, Philadelphia Plaza and ST dispute the amount of rent owed to Philadelphia Plaza and the validity of the Philadelphia Lease, and the parties desire to compromise, resolve and settle fully all disputes or differences that may exist between them, both asserted and not asserted, arising out of, in connection with, or relating to the Philadelphia Lease,

WHEREAS, on or about November 25, 2003, Philadelphia Plaza filed a proof of claim in the amount of \$134,148.28 (the “Philadelphia Plaza Proof of Claim”), and

NOW, THEREFORE, for good and valuable consideration, the legal sufficiency of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows

1 The Philadelphia Lease shall be deemed rejected, pursuant to section 365 of the Bankruptcy Code, effective as of August 6, 2003

2 Within ten (10) business days of the Court entering an order approving this Stipulation, ST shall pay to Philadelphia Plaza the sum of twenty thousand dollars (\$20,000) in full and final satisfaction of any and all of Philadelphia Plaza's postpetition claims (the "Settlement Payment")

3 ST, on its own behalf and on behalf of its past, present, and future shareholders, agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns (the "ST Releasers") does hereby release and forever discharge all claims arising from or relating to the Philadelphia Lease, including but not limited to, all claims and defenses that were asserted or that could have been asserted in the Rejection Motion or in opposition to the Philadelphia Plaza Motion, that the ST Releasers have or may have against Philadelphia Plaza, its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns

4 Philadelphia Plaza, on its own behalf and on behalf of its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns (the "Philadelphia Plaza Releasers") does hereby release and forever discharge all claims arising from or relating to the Philadelphia Lease, other than the Philadelphia Plaza Proof of Claim, arising from or relating to the Philadelphia Lease, including but not limited to, all claims and defenses that were asserted or that could have been asserted in

the Philadelphia Plaza Motion or in opposition to the Rejection Motion, that the Philadelphia Plaza Releasors have or may have against ST, its past, present, and future agents, directors, officers, employees, attorneys, general partners, limited partners, members, successors, and assigns

5 The Philadelphia Plaza Proof of Claim is deemed an allowed general unsecured claim in the amount of \$75,000

6 This Court shall retain jurisdiction to resolve any disputes between ST and Philadelphia Plaza arising with respect to this Stipulation and Agreed Upon Order

7 Any motion or application brought before this Court to resolve any dispute arising under or related to this Stipulation and Agreed Upon Order shall be brought on proper notice in accordance with the relevant Federal Rules of Bankruptcy Procedure and the Local Rules of this Court

8 The undersigned, on behalf of ST and Philadelphia Plaza, each warrants and represents that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Agreed Upon Order on behalf of such party

9 This Stipulation and Agreed Upon Order constitutes the complete and exclusive statement of the terms and conditions between ST and Philadelphia Plaza with respect to the subject matter hereof and supersedes and merges all prior proposals, understandings and all other agreements, oral and written, between the parties relating to the subject matter hereof

10 This Stipulation and Agreed Upon Order shall have no force or effect and shall not be binding upon either ST or Philadelphia Plaza until it is approved by the Court

Dated December 15, 2003

KIRKLAND & ELLIS LLP
Matthew A Cantor (MC-7727)
Jonathan S Henes (JH-1979)
Citigroup Center
153 East 53rd Street
New York, New York 10022-4675
(212) 446-4800

HANGLEY ARONCHICK SEGAL &
PUDLIN
Robert L Ebby
One Logan Square, 27th Floor
Philadelphia Pennsylvania 19103
(215) 568-6200

By /s/ Jonathan S Henes
Jonathan S Henes (JH-1979)

ATTORNEYS FOR THE DEBTORS AND
DEBTORS IN POSSESSION

By Robert L Ebby
Robert L Ebby

ATTORNEYS FOR PHILADELPHIA
PLAZA

SO ORDERED, this 23rd day of December, 2003

/s/Robert D Dram
UNITED STATES BANKRUPTCY JUDGE