

PRESENTMENT DATE AND TIME: July 12, 2004, at 12:00 noon  
OBJECTION DEADLINE: July 12, 2004, at 11:30 a.m.

**KIRKLAND & ELLIS LLP**  
Citigroup Center  
153 East 53rd Street  
New York, New York 10022-4675  
Telephone: (212) 446-4800  
Facsimile: (212) 446-4900  
Matthew A. Cantor (MC-7727)  
Jonathan S. Henes (JH-1979)  
Lisa G. Laukitis (LG-9248)

**Attorneys for Shared Technologies Inc.**

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

_____	X	
<b>In re</b>	:	
	:	<b>Chapter 11 Case No.</b>
<b>ALLEGIANCE TELECOM, INC., et al.,</b>	:	<b>03-13057 (RDD)</b>
	:	
<b>Debtors.</b>	:	<b>Jointly Administered</b>
_____	X	

**NOTICE OF PRESENTMENT OF STIPULATION AND AGREED  
ORDER AMENDING AND CLARIFYING THAT CERTAIN ORDER,  
PURSUANT TO SECTION 365(a) OF THE BANKRUPTCY CODE,  
AUTHORIZING THE DEBTORS TO REJECT A CERTAIN  
UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY**

PLEASE TAKE NOTICE that Shared Technologies Inc., a reorganized debtor in these chapter 11 cases, will present the annexed Stipulation and Agreed Order Amending and Clarifying that Certain Order, Pursuant to Section 365(a) of the Bankruptcy Code, Authorizing the Debtors to Reject a Certain Unexpired Lease of Nonresidential Real Property (the “Stipulation and Order”), to the Honorable Robert D. Drain, United States Bankruptcy Judge, for signature on July 12, 2004, at 12:00 noon, prevailing Eastern Time.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Stipulation and Order shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and Local Bankruptcy Rules for the Southern District of New York, shall

set forth the name of the objectant, the basis for the objection, and the specific grounds therefor, and shall be filed with the Court electronically in accordance with General Order M-242 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)) by registered users of the Court's case filing system and, by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers) and served in accordance with General Order M-242, and shall further be served upon (i) Kirkland & Ellis LLP, Citigroup Center, 153 East 53rd Street, New York, New York 10022 (Attn: Lisa G. Laukitis, Esq.), (ii) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Pamela J. Lustrin, Esq.), (iii) Akin Gump Strauss Hauer Feld LLP, 590 Madison Avenue, New York, New York 10022 (Attn: Colin Adams, Esq.) and (iv) Carolan & Greeley, 65 Franklin Street, Boston, Massachusetts 02110 (Attn: Peter F. Shea, Esq.), so as to be actually received no later than July 12, 2004, at 11:30 a.m., prevailing Eastern Time. Unless objections are received by that time, there will not be a hearing, and the order may be signed.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely filed, a hearing will be held at the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, at a date and time to be established by the Court. The moving and objecting parties are required to attend the hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: New York, New York  
June 29, 2004

Respectfully submitted,

/s/ Lisa G. Laukitis

Matthew A. Cantor (MC-7727)

Jonathan S. Henes (JH-1979)

Lisa G. Laukitis (LG-9248)

KIRKLAND & ELLIS LLP

Citigroup Center

153 East 53rd Street

New York, New York 10022-4675

Telephone: (212) 446-4800

Facsimile: (212) 446-4900

Attorneys for Shared Technologies Inc.

PRESENTMENT DATE AND TIME: July 12, 2004, at 12:00 noon  
OBJECTION DEADLINE: July 12, 2004, at 11:30 a.m.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re	:	
	:	Chapter 11 Case No.
Allegiance Telecom, Inc., <u>et al.</u> ,	:	03-13057 (RDD)
	:	
Debtors.	:	Jointly Administered
_____	X	

**STIPULATION AND AGREED ORDER AMENDING AND CLARIFYING  
THAT CERTAIN ORDER, PURSUANT TO SECTION 365(a) OF THE  
BANKRUPTCY CODE, AUTHORIZING THE DEBTORS TO REJECT A  
CERTAIN UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY**

Shared Technologies Inc. (“Shared Technologies”), Allegiance Telecom Liquidating Trust (“ATLT”), and Norwood Equity Partners, LLC (the “Landlord”), through their respective undersigned counsel, hereby stipulate and agree, subject to Court approval, as follows:

WHEREAS, on May 14, 2003 (the “Commencement Date”), Allegiance Telecom, Inc. and its direct and indirect subsidiaries, including Allegiance Telecom Company Worldwide (“ATCW”) and Shared Technologies Allegiance, Inc. (“STFI”), a predecessor in interest to Shared Technologies, (collectively, the “Debtors”), each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”); and

WHEREAS, ATCW leased office space from the Landlord at 1400 Providence Highway, Building # 3, Norwood, MA 02062 (the “Premises”), pursuant to that certain Lease, dated October 11, 2002, by and between ATCW and BHX, LLC, as Trustee of 1400 Providence Highway Realty Trust, the Landlord’s predecessor in interest (the “Original Lease”); and

WHEREAS, the Premises were primarily used to house the employees of STFI; and

WHEREAS, on May 20, 2004, the Debtors filed that certain motion seeking entry of an order, pursuant to section 365(a) of the Bankruptcy Code, authorizing the Debtors to reject certain unexpired leases of nonresidential real property, including the Original Lease (the “Motion”); and

WHEREAS, on June 2, 2004, this Court entered an order (the “Rejection Order”) granting the Motion and authorizing the rejection of the Original Lease; and

WHEREAS, on June 10, 2004, the Court entered its Order confirming the Debtors’ Third Amended Joint Plan Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (as amended, the “Plan”); and

WHEREAS, on June 23, 2004, the Effective Date of the Plan has occurred; and

WHEREAS, ATLT was established, pursuant to the Plan, to, among other things, (a) wind-down the Debtors’ affairs, (b) object to, settle, compromise, dispute and prosecute Disputed Claims (as defined in the Plan) and (c) administer the Plan and take such actions as are necessary to effectuate the Plan; and

WHEREAS, subsequent to the entry of the Rejection Order, ATCW and the Landlord have reached a consensual resolution with respect to the Original Lease, Motion and Rejection Order, as set forth below.

**ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS:**

1. Subject to this Court’s approval of this Stipulation and Order, Shared Technologies and the Landlord have entered into a new lease (the “New Lease”), which is annexed hereto as Exhibit A.

2. Shared Technologies, ATLT, on behalf of the Debtors' estates, and the Landlord hereby acknowledge and agree that the security deposit in an amount equal to \$31,248.00 under the Original Lease (the "Security Deposit") shall now be held by the Landlord as the security deposit under the New Lease. ATLT, on behalf of the Debtors' estates, hereby waives and releases any right, title and interest that they may have to the Security Deposit. Shared Technologies acknowledges and agrees that the Landlord shall hold the Security Deposit subject to the terms, provisions, covenants, agreements and conditions contained in the New Lease.

3. Subject to this Court's approval of this Stipulation and Order, all obligations of ATCW's estate and claims and causes of action by the Landlord arising under or pursuant to the Original Lease, including, but not limited to, claims arising prior to the Commencement Date, claims arising under the Original Lease pursuant to sections 365(b) or 503(b) of the Bankruptcy Code, whether known or unknown, are hereby forever waived by the Landlord.

4. Subject to this Court's approval of this Stipulation and Order, to the extent that Landlord has filed any proofs of claims or interests in any of the Debtors' chapter 11 cases with respect to amounts or other obligations owed or to be owed pursuant to the Original Lease, such claims and interests shall be dismissed and expunged with prejudice effective as of the tenth (10th) calendar day following the date of the Court approval of this Stipulation and Order.

5. This Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation and Order.

6. The undersigned on behalf of Shared Technologies, ATLT and the Landlord each warrants and represents that he or she has been duly authorized and empowered to execute and deliver this Stipulation and Order on behalf of such party.

7. This Stipulation and Order shall have no force or effect and shall not be binding upon any of the parties hereto until it is approved by the Court.

8. The parties acknowledge that no promise, inducement, or agreement not stated herein has been made to them in connection with this Stipulation, and that this Stipulation constitutes the entire agreement between them. The parties understand and agree that this Stipulation may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing duly executed by the parties. The parties agree and acknowledge that they will make no claim at any time or place that this Stipulation has been orally altered or modified or otherwise changed by oral communication of any kind or character.

9. This Stipulation may be executed simultaneously or in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

A facsimile copy of a signature page is the equivalent of an original signature page.

Dated: New York, New York  
June 29, 2004

**KIRKLAND & ELLIS LLP**

Matthew A. Cantor (MC-7727)  
Jonathan S. Henes (JH-1979)  
Lisa G. Laukitis (LG-9248)  
Citigroup Center  
153 East 53rd Street  
New York, New York 10022-4675  
(212) 446-4800

**AKIN GUMP STRAUSS HAUER &  
FELD LLP**

Colin Adams (CA-2913)  
509 Madison Avenue  
New York, New York 10022  
(212) 872-1000

By: /s/ Lisa G. Laukitis \_\_\_\_\_  
Lisa G. Laukitis (LG-9248)

By: /s/ Colin Adams \_\_\_\_\_  
Colin Adams (CA-2913)

ATTORNEYS FOR  
SHARED TECHNOLOGIES

ATTORNEYS FOR ATLT

**CAROLAN & GREELEY**

Peter F. Shea, Esq.  
65 Franklin Street  
Boston, MA 02110

By: /s/ Peter F. Shea \_\_\_\_\_  
Peter F. Shea, Esq.

ATTORNEYS FOR THE LANDLORD

SO ORDERED, this \_\_\_\_ day of July 2004

\_\_\_\_\_  
UNITED STATES BANKRUPTCY JUDGE



## **Exhibit A**

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (the "Agreement") is made as of this 1st day of July, 2004 by and between **NORWOOD EQUITY PARTNERS, LLC**, a Massachusetts limited liability company ("Landlord"), with an address c/o Everest Partners, LLC, 950 Third Avenue, 28th Floor, New York, New York 10022-2705 and **SHARED TECHNOLOGIES INC.**, a Delaware corporation ("Tenant"), having an address at 1400 Providence Highway, Norwood, Massachusetts 02062.

### WITNESSETH:

**WHEREAS, BHX, LLC**, as Trustee of 1400 Providence Highway Realty Trust (the "Original Landlord") has leased certain space to **Allegiance Telecom Company Worldwide** (the "Original Tenant") in the property located at 1400 Providence Highway, Norwood, Massachusetts pursuant to a lease with the Original Tenant dated as of October 11, 2002, a copy of which is attached hereto as Exhibit A and the terms, provisions, covenants, agreements and conditions of which are hereby incorporated herein by reference thereto (the "Original Lease" and the demised premises described therein being approximately 20,832 rentable square feet hereinafter called the "Original Premises"); and

**WHEREAS, Tenant** shall use and occupy a portion of the Original Premises comprised of approximately 15,000 rentable square feet as more particularly shown on Exhibit B attached hereto (the "Premises") and Tenant shall have a right of first offer as provided below as to the remaining portion of the Original Premises consisting of approximately 5,832 rentable square feet as more particularly shown on Exhibit C attached hereto (the "First Offer Space"); and

**WHEREAS, Landlord and Tenant** hereby desire to enter into this Agreement for the purposes of establishing a new lease as to the Premises directly between them; and

**WHEREAS, Allegiance Telecom, Inc.** (the "Guarantor") executed and delivered that certain Guaranty dated as of October 9, 2002 under which the Guarantor guaranteed all the obligations of the Original Tenant and its successors and assigns under the Original Lease; and

**WHEREAS, Landlord** is the successor in interest to the Original Landlord as the "Landlord" under the Original Lease and Tenant is a wholly-owned subsidiary of the Original Tenant; and

**WHEREAS, on May 14, 2003, Allegiance Telecom, Inc.** and its direct and indirect subsidiaries, including Shared Technologies, each filed voluntary petitions for reorganization pursuant to Chapter 11, Title 11 of the United States Code, Case Number 03-13057 (RDD) (the "Bankruptcy Case"), in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), and Allegiance Telecom, Inc. is currently operating its business and managing its property as a debtor-in-possession; and

WHEREAS, Landlord, Tenant, the Original Landlord and the Guarantor shall execute and deliver that certain Stipulation dated as of June \_\_\_\_, 2004 (the "Stipulation"), and the parties hereto acknowledge and agree that the Stipulation and this Agreement are subject to the approval of the Bankruptcy Court; and

WHEREAS, Tenant hereby assumes and agrees to observe, perform and comply with all of the terms, provisions, covenants, agreements, conditions and obligations of the Original Tenant under the Original Lease, as further amended herein, and as to all matters that accrue or arise under the Original Lease, as further amended herein, from and after the date of this Agreement; and

WHEREAS, the parties hereto acknowledge and agree that upon execution of this Agreement, subject to Bankruptcy Court approval, Allegiance Telecom, Inc. will no longer be a Guarantor under the Original Lease or under the Guaranty; and

WHEREAS, Landlord and Tenant mutually desire to enter into this Agreement and extend the Term for the period commencing on July 1, 2004 and expiring on June 30, 2009 unless sooner terminated in accordance with the terms and provisions of the Original Lease (the "Extended Term") upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Tenant hereby assumes and agrees to observe, perform and comply with all of the terms, provisions, covenants, agreements, conditions and obligations of the Original Tenant under the Original Lease, as further amended herein, and as to all matters that accrue or arise under the Original Lease, as further amended herein, from and after the date of this Agreement.
2. Extended Term Commencement Date. As used in this Agreement, the term "Extended Term Commencement Date" shall mean July 1, 2004.
3. "As-Is" Condition. Except for "Landlord's Work" (as said term is hereinafter defined), Tenant agrees to accept the Premises in "As Is" condition without any representations or warranties (express, implied or otherwise). Tenant, at its sole risk, cost and expense, shall restore the Premises to its original condition upon the expiration of this Agreement. At such time as Landlord recaptures the First Offer Space, Landlord, at its sole cost and expense, shall construct a demising wall using building standard materials and colors in a location to be more particularly shown on a mutually agreed upon plan. Tenant hereby acknowledges and agrees that Landlord shall have access to the Premises and the First Offer Space to perform Landlord's Work and Tenant shall not interfere with, hinder or delay Landlord's performance of Landlord's Work to completion.

4. Effective as of the Extended Term Commencement Date, Tenant shall pay Base Rent under this Agreement without offset, deduction or demand for any reason as follows:

PERIOD	ANNUAL RATE	MONTHLY RATE	PSF RATE
From the Extended Term Commencement Date through and including June 30, 2006	\$120,000.00	\$10,000.00	\$8.00
From July 1, 2006 through and including June 30, 2009	\$120,000.00*	\$10,000.00*	\$8.00*

\* Commencing with the third "lease year" (as said term is hereinafter defined) of the Extended Term and for and with respect to each subsequent lease year during the Extended Term, the Base Rent shall be adjusted and increased by an amount (the "Annual Adjustment") equal to the CPI Percentage multiplied by the Base Rent for the immediately preceding lease year (inclusive of all prior Annual Adjustments). For purposes of this paragraph, a "lease year" shall be the 12 calendar month period beginning on July 1, 2004 and ending on June 30, 2005 and each succeeding 12 calendar month period during the Extension Period.

The CPI Percentage shall mean as to each lease year in question the applicable Annual CPI Increase. As used herein the term "Annual CPI Increase" shall mean the percentage increase, if any, in the Consumer Price Index (1982-84=100) for the Urban Wage Earners and Clerical Workers, All Items, published by the Bureau of Labor Statistics of the U.S. Department of Labor for Boston-Brockton-Nashua, MA,-NH,-ME,-CT (the "Index") (or if there ceases to be such publication, any other substantially equivalent index selected by Landlord which is generally recognized to measure changes in the cost of living for Boston, Massachusetts), between the Index last published prior to the date (the "Adjustment Date") of commencement of the lease year for which an Annual Adjustment is to be made and the Index last published prior to 12 calendar months prior to the Adjustment Date.

5. In item 1 of the Summary of Basic Terms, the definition of "Landlord" is hereby amended to read as follows: "Landlord: Norwood Equity Partners, LLC".

6. In item 2 of the Summary of Basic Terms, the definition of "Tenant" is hereby amended to read as follows: "Tenant: Shared Technologies, Inc., a Delaware corporation".

7. In item 12A of the Summary of Basic Terms, the definition of "Tenant's Address for Notices, Telephone Number, Fax Number and Taxpayer Identification No." is hereby amended to read as follows: " Tenant's Address for Notices, Telephone Number, Fax Number and Taxpayer Identification No.: Shared Technologies, Inc., 1405 South Beltline Road, Suite 100, Coppell, Texas 75019, Attn: David Fritche, Telephone: (972) 462-5800 Fax: \_\_\_\_\_ Tenant F.I.D. #33-1009098".

8. In item 12B of the Summary of Basic Terms, the definition of "Landlord's Address for Notices" is hereby amended to read as follows: "Landlord's Address for Notices: Norwood Equity Partners, LLC c/o Everest Partners, LLC, 950 Third Avenue, 28th Floor, New York, New York 10022-2705".

9. The term "Tenant's Building Share" shall be amended to be "25.01%".

10. The term "Tenant's Project Share" shall be amended to be "9.64%".

11. Landlord is currently in possession of the Security Deposit in the amount of \$31,248.00 and the Original Tenant and Tenant hereby covenant and agree that the Security Deposit may be applied in accordance with the terms and provisions of the Original Lease and the same is transferable without the need of any approval of the Bankruptcy Court.

12. The Extended Term of the Original Lease as to the Premises shall commence on the Extended Term Commencement Date and shall expire on June 30, 2009, unless sooner terminated in accordance with the terms and provisions of this Agreement.

13. The following sentence is hereby added to Section 8.1(a) of the Original Lease: "Notwithstanding anything to the contrary contained in this Lease, Tenant shall have no right to assign this Lease or sublease all or any portion of the Premises to any existing tenants, subtenants or occupants of the Building or the Other Buildings at the Project."

14. Section 13.1 of the Original Lease (which said Section 13.1 is entitled "Brokers") is hereby amended by adding the following thereto:

"Tenant hereby represents and warrants to Landlord that except for Spaulding & Slye, Tenant has not dealt with any broker in connection with the consummation of this Agreement and in the event of any brokerage claims against Landlord predicated upon prior dealings with such party, Tenant hereby agrees to defend Landlord and indemnify and hold Landlord harmless in connection with any such claim. Tenant's obligations contained in the preceding sentence shall expressly survive the expiration or any earlier termination of this Lease."

15. The following is hereby added as Section 13.15 to the Original Lease:

**"Section 13.15 Independent Covenant:** Tenant acknowledges and agrees that its covenant to pay Base Rent, Additional Rent and other sums payable as additional charges hereunder and to observe, perform and comply with any other obligations of Tenant hereunder is independent of Landlord's obligation to act or refrain from acting hereunder, and that in the event that Tenant shall have a claim against Landlord, Tenant shall not have the right to deduct the amount allegedly owed to Tenant from any Base Rent, Additional Rent or other sums payable as additional charges due hereunder, it being understood that Tenant's sole remedy for recovering upon such claim shall be to bring an independent legal action against Landlord."

16. The following is hereby added as Article XIV to the Original Lease:

**"ARTICLE XIV**

**Landlord's Early Termination Right**

14. **Landlord's Early Termination Right.** Landlord shall have the right and option (the "Early Termination Option") to terminate this Lease at any time after the last day of the second (2nd) lease year of the Extended Term provided that Landlord shall provide Tenant with written notice (an "Early Termination Notice") of its exercise of the Early Termination Option at least nine (9) months prior to that certain date to be determined by Landlord in its sole and absolute discretion (the "Early Termination Date"), which date Landlord shall designate in the Early Termination Notice. If Landlord shall exercise the Early Termination Option and provided that no default of Tenant exists under the Lease, Tenant shall have no rental obligations during the nine (9) month notice period referred to in the preceding sentence. If Landlord shall exercise the Early Termination Option, Tenant shall surrender and deliver up the Premises to Landlord on the Early Termination Date as if such date were the date originally specified in this Lease as the last day of the Lease Term of this Lease. "

17. The following is hereby added as Article XV to the Original Lease:

**"ARTICLE XV**

**Right Of First Offer**

15. **Right Of First Offer.** In the event that during the Extended Term, Landlord recaptures the First Offer Space and provided that the "Offer Conditions" (as hereafter defined) are then satisfied, Landlord shall first offer (the "Offer") to lease all of the such available portion of the First Offer Space to Tenant upon terms and conditions specified by Landlord in its sole and absolute discretion. If (a) within ten (10) days after Landlord provides the Offer to Tenant, Tenant does not

unconditionally accept the Offer as to all of such space described in the Offer in writing and concurrently deposit one month's advanced rent and one month's security deposit with Landlord or (b) if Tenant accepts the Offer as aforesaid but does not execute and deliver a final fully executed Amendment to this Lease in form and substance satisfactory to Landlord within 14 days after acceptance of the Offer as aforesaid, Landlord shall be free to rent all or any part of such space to any party upon substantially similar terms and conditions as were set forth in the Offer and Tenant's Right of First Offer shall terminate as to all of the space described in such Offer.

As used herein the term "Offer Conditions" shall mean (i) that no default of Tenant exists and be continuing either at the time Landlord provides Tenant with the Offer or at the time of acceptance of the Offer by Tenant, (ii) Landlord shall not have exercised the Early Termination Option in accordance with the terms and provisions of this Lease and (iii) that Tenant shall have, during the 180 day period immediately preceding Landlord's determination that all or any portion of the First Offer Space is "available for leasing", provided Landlord with written notice of its interest in leasing additional space and its request that Landlord provide Tenant with an Offer in the event that any such First Offer Space shall become "available for leasing".

As used herein, First Offer Space shall be deemed "available for leasing" by Landlord when, as determined by Landlord in its sole and absolute discretion, any tenant then occupying the First Offer Space shall fail or refuse to exercise any option to extend or renew its lease or shall fail to negotiate and enter into a renewal or extension of its lease with Landlord for such portion of the First Offer Space."

18. The following is hereby added as Article XVI to the Original Lease:

#### "ARTICLE XVI

#### Option To Extend

#### 16. (A) Option Term

Tenant shall have the right and option, which said option shall not be severed from this Lease or separately assigned, mortgaged or transferred, at its election, to extend the Extended Term of this Lease for one (1) additional period of five (5) years (the "Extension Period") commencing upon the expiration of the Extended Term, provided that (a) Landlord shall receive written notice from Tenant of the exercise of its election at least nine (9) months prior to the expiration of the Extended Term but no sooner than twelve (12) months prior to the expiration of the Extended Term, (b) Tenant shall not be in default at the time of Landlord's receipt of such notice and at the expiration of the Extended Term in the performance or observance of any of the terms and agreements in this Lease contained on the part of Tenant to be performed or observed and (c) the original Tenant named herein is itself occupying the entire Premises both at the time of giving the applicable notice and at the commencement of

the Extension Period. The expression "the Extended Term" means the period of five (5) years referred to in the recitals above. Prior to the exercise by Tenant of said election to extend the Extended Term, the expression "the Lease Term of this Lease" or any equivalent expression shall mean the Extended Term; after the exercise by Tenant of the aforesaid election, the expression "the Lease Term of this Lease" or any equivalent expression shall mean the Extended Term as extended. Except as expressly otherwise provided in this Lease, all the agreements and conditions in this lease contained shall apply to the additional period to which the Extended Term shall be extended as aforesaid. If Landlord shall receive notice of the exercise of the election in the manner and within the time provided aforesaid, the Term shall be extended upon the receipt of the notice without the requirement of any action on the part of Landlord. Except for the amount of Base Rent (which is to be determined as hereinafter provided), all the terms, covenants, conditions, provisions and agreements in this Lease contained shall be applicable to the additional period through which the Lease Term of this Lease shall be extended as aforesaid, except that there shall be no further options to extend the Lease Term nor shall Landlord be obligated to make or pay for any improvements to the Premises nor pay any inducement payments of any kind or nature. If Tenant shall give notice of its exercise of such option to extend in the manner and within the time period provided aforesaid, the Lease Term of this Lease shall be extended upon the giving of each such notice without the requirement of any further attention on the part of either Landlord or Tenant except as may be required in order to determine Fixed Rent as hereafter set forth. Landlord hereby reserves the right, exercisable by Landlord in its sole discretion, to waive (in writing) any condition precedent set forth in clauses (a), (b) or (c) above.

#### (B) Option Rent

During the additional period to which the Extended Term of this Lease may be extended as set forth in Section (A) of this Article XII, the Base Rent payable hereunder for each twelve (12) month period during said additional period shall be adjusted as of the commencement of the Extension Period so as to equal the then "fair market rent", as mutually determined by Landlord and Tenant through the process of negotiation, but in no event less than the Base Rent for and with respect to the last twelve (12) calendar months of the Extended Term. Notwithstanding anything to the contrary contained herein, however, if for any reason whatsoever Landlord and Tenant shall not agree in writing upon the "fair market rent" for said additional period at least six (6) months prior to the additional period in question, then the fair market rent for premises of the size and nature of the Premises shall be determined by licensed real estate appraisers having at least five (5) years' experience in the appraisal of commercial real estate in the Greater Boston area, one such appraiser to be designated by each of Landlord and Tenant. If either party shall fail to designate its appraiser by giving notice of the name of such appraiser to the other party within fifteen (15) days after receiving notice of the name of the other party's appraiser, then the appraiser chosen by the other party shall determine the fair market rent and his determination shall be final and conclusive. If the appraisers designated by Landlord and Tenant shall disagree as to the fair market rent, but if the difference between their



estimates of fair market rent shall be five percent (5%) or less of the greater of the estimates, then the average of their estimates shall be the fair market rent for purposes hereof. If the appraisers designated by Landlord and Tenant shall disagree as to the amount of fair market rent, and if their estimates of fair market rent shall vary by more than five percent (5%) of the greater of said estimates, then they shall jointly select a third appraiser meeting the qualifications set forth above, and his estimate of fair market rent shall be the fair market rent for purposes hereof if it is not greater than the greater of the other two estimates and not less than the lesser of the other two estimates. If said third appraiser's estimate is greater than the greater of the other two estimates, then the greater of the other two estimates shall be the fair market rent for purposes hereof; and if the estimate of the third appraiser shall be less than the lesser of the other two estimates, then the lesser of the other two estimates shall be the fair market rent for purposes hereof. Each of Landlord and Tenant shall pay for the services of its appraiser, and if a third appraiser shall be chosen, then each of Landlord and Tenant shall pay for one-half of the services of the third appraiser.

Notwithstanding anything to the contrary contained in the Lease, Tenant's Option to Extend provided above is the only such right and option available to Tenant under the Lease and any other such rights and options are null and void and are no longer of any force or effect.

(C) CPI Adjustment

Commencing with the first "lease year" (as said term is hereinafter defined) of the Extension Period and for and with respect to each subsequent lease year during the Extension Period, the Base Rent shall be adjusted and increased by an amount (the "Annual Adjustment") equal to the CPI Percentage multiplied by the Base Rent for the immediately preceding lease year (inclusive of all prior Annual Adjustments). For purposes of this paragraph, a "lease year" shall be the 12 calendar month period beginning on July 1, 2009 and ending on June 30, 2010 and each succeeding 12 calendar month period during the Extension Period.

The CPI Percentage shall mean as to each lease year in question the applicable Annual CPI Increase. As used herein the term "Annual CPI Increase" shall mean the percentage increase, if any, in the Consumer Price Index (1982-84=100) for the Urban Wage Earners and Clerical Workers, All Items, published by the Bureau of Labor Statistics of the U.S. Department of Labor for Boston-Brockton-Nashua, MA, NH, ME, CT (the "Index") (or if there ceases to be such publication, any other substantially equivalent index selected by Landlord which is generally recognized to measure changes in the cost of living for Boston, Massachusetts), between the Index last published prior to the date (the "Adjustment Date") of commencement of the lease year for which an Annual Adjustment is to be made and the Index last published prior to 12 calendar months prior to the Adjustment Date."

19. Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Original Lease.

20. Except as amended and modified by this Agreement, all the terms, provisions, covenants and conditions of the Original Lease are hereby affirmed and ratified.

21. This Agreement may be executed in any number of counterparts, each of which is an original, but all of which shall constitute one instrument.

[Remainder of Page Intentionally Left Blank -- Signature Page Follows]

IN WITNESS WHEREOF, this Lease Agreement has been executed as of the day and year first above written.

LANDLORD:

NORWOOD EQUITY PARTNERS, LLC

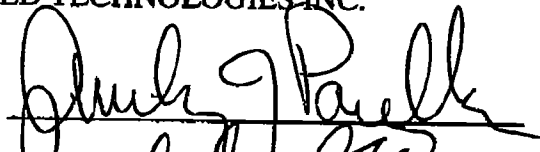
By: Everman, LLC  
Its: Manager

By:   
Its: Managing Member

TENANT:

SHARED TECHNOLOGIES INC.

By:  
Its:

  
President & CEO

EPL0077  
June 18, 2004