

### THIRD AMENDMENT TO LEASE

This Third Amendment to Lease dated September 18, 1996, between RREEF WEST-V, Inc., a Delaware corporation ("Lessor"), whose address is 8949-C Complex Drive, San Diego, California 92123, and CTS Network Services, a Division of Datel Systems, Inc., a California corporation ("Lessee"), whose address is 8913 Complex Drive, Suite B, San Diego, California 92123, who agree as follows:

1. **RECITALS.** This Third Amendment to Lease is made with reference to the following facts and objectives:

a. Lessor and Lessee entered into a written Lease dated October 4, 1995, First Amendment to Lease dated January 10, 1996 and Second Amendment to Lease dated August 1, 1996, (collectively the "Lease"), in which Lessor leased to Lessee, and Lessee leased from Lessor, premises located in the County of San Diego, State of California, commonly known as 8913 Complex Drive, Suites B & C, San Diego, California 92123, (the "Premises"), and further described as approximately 3,598 square feet.

b. The parties desire to alter the terms of the Lease, effective October 1, 1996.

2. **PREMISES.** Article 1.2(a) of the Lease, ("Premises"), shall hereinafter be expanded to provide as follows:

Lessor hereby leases to Lessee and Lessee leases from Lessor for the term, at the rental, and upon all of the conditions set forth herein, that certain real property situated in the County of San Diego, State of California, commonly known as 8913 Complex Drive, Suites B, C, D and E, San Diego, California 92123, and described as 6,880 square feet (altered from the Lease by the addition of Suites D and E, comprising approximately 3,282 square feet) as further described in Exhibit A attached hereto.

3. **TERM.** Article 3 of the Lease, ("Term"), shall hereinafter provide as follows:

The Term of the Lease shall be extended for three (3) years and six (6) months commencing October 1, 1996, and ending on March 31, 2000, (the "First Extended Term"), unless sooner terminated pursuant to any provision hereof.

4. **RENT SCHEDULE.** Addendum, Article 1 of the Lease and Article 3 of the First Amendment to Lease ("Rent Schedule"), shall hereinafter provide as follows:

Rent for the period 10/01/96 through 01/15/97 shall be \$4,960.78 per month.

Rent for the period 01/16/97 through 03/31/97 shall be \$4,995.18 per month.

Rent for the period 04/01/97 through 03/31/98 shall be \$4,953.60 per month.

Rent for the period 04/01/98 through 03/31/99 shall be \$5,201.28 per month.

Rent for the period 04/01/99 through 03/31/00 shall be \$5,461.34 per month.

5. **BASE YEAR FOR OPERATING EXPENSES.** Article 4.2 of the Lease dated October 4, 1995, shall hereinafter provide that for 8913 Complex Drive, Suites D and E only, Lessee shall pay their pro rata share for all common area maintenance charges. Lessee will continue to have a Base Year of 1995 for 8913 Complex Drive, Suites B and C. Effective April 1, 1997, Article 4.2 of the Lease dated October 4, 1995, shall hereinafter provide that Lessee will pay their pro rata share of all common area maintenance charges for 8913 Complex Drive, Suites B, C, D and E.

6. **SECURITY DEPOSIT.** Article 1.7 of the Lease and Article 4 of the First Amendment to Lease, ("Security Deposit"), shall hereinafter provide as follows:

Lessor acknowledges that Lessee currently has on account \$2,700.00 which Lessee agrees to increase to \$5,700.00 upon the execution of this Third Amendment to Lease.

7. **TENANT IMPROVEMENTS.** Lessor shall provide a Tenant Improvement Allowance ("TI Allowance") not to exceed Fifteen Thousand and No/100 Dollars (\$15,000.00), toward mutually acceptable tenant improvements approved in writing by Lessor, which are to be fixed in Suite D and shall remain with the Premises, including construction plans and permits. Said TI Allowance shall not be attributed towards Lessee's furniture, fixtures or equipment. Work is to be performed by a mutually acceptable, licensed contractor conforming to Lessor's requirements for insurance, bonding, experience, etc. Such allowance shall be paid to Lessee within thirty (30) days from the time: (1) the period allowed for the filing of mechanic's liens has expired or duly executed lien waivers from all contractors, subcontractors and materialmen who have performed work on behalf of Lessee at the Premises are presented to Lessor; and (2) the Lessee has provided to Lessor a Certificate of Occupancy, a copy of Lessee's Recorded Notice of Completion, copies of all building permits, indicating inspection and approval by the issuer of said permits, invoices, and a complete set of "as-built" construction documents for all the work performed by Lessee and/or Lessee's contractors and subcontractors.

8. **RENEWAL OPTION.** Lessee shall, provided the Lease is in full force and effect and Lessee is not in default under any of the other terms and conditions of the Lease at the time of notification or commencement, have one (1) successive option to renew this Lease for a term of three (3) years, for the portion of the Premises being leased by Lessee as of the date the renewal term is to commence, on the same terms and conditions set forth in the Lease, except as modified by the terms, covenants and conditions as set forth below:

(a) If Lessee elects to exercise said option, then Lessee shall provide Lessor with written notice no earlier than the date which is one hundred - eighty (180) days prior to the expiration of the then current term of the Lease but no later than the date which is one hundred - twenty (120) days prior to the expiration of the current term of the Lease, and the annual rent and monthly installment in effect at the expiration of the then current term of the Lease shall be increased, commencing on the first day of the new renewal term, to reflect the current fair market rental for comparable space in other similar buildings in the same rental market as of the date the renewal term is to commence. If Lessee fails to provide such notice, Lessee shall have no further or additional right to extend or renew the term of the Lease. The notice shall be given in the manner provided in the Lease for the giving of notices to Lessor.

(b) Lessor shall advise Lessee of the new annual rent and monthly installment for the Premises no later than thirty (30) days after receipt of Lessee's written request therefor. Said request shall be made no earlier than thirty (30) days prior to the first date on which Lessee may exercise its option under this Paragraph. Said notification of the new annual rent may include a provision for its escalation to provide for a change in fair market rental between the time of notification and the commencement of the renewal term. Neither party to the Lease shall have the right to have a court or third party set the annual rent and monthly installment and in no event shall the annual rent and monthly installment for any option period be less than the annual rent and monthly installment in preceding period.

(c) This option is not transferable; the parties hereto acknowledge and agree that they intend that the aforesaid option to renew this Lease shall be "personal" to Lessee as set forth above and that in no event will any assignee or sublessee have any rights to exercise the aforesaid option to renew.

**9. INDEMNIFICATION PROVISION.**

Lessor shall not be liable and Lessee hereby waives all claims against Lessor for any damage to any property or any injury to any person in or about the Premises or the Building by or from any cause whatsoever, (including without limiting the foregoing, rain or water leakage of any character from the roof, windows, walls, basement, pipes, plumbing works or appliances, the Building not being in good condition or repair, gas, fire, oil, electricity or theft); except that Lessor will indemnify and hold Lessee harmless from such claims to the extent caused by the negligent or willful act of Lessor, or its agents, employees or contractors. Lessee shall defend, indemnify, and save Lessor harmless from and against any and all claims, actions, lawsuits, damages, liability, and expense (including, without limitation, attorneys' fees) arising from: (a) the act, neglect, fault, or omission to meet the standards imposed by any duty with respect to the loss, damage, or injury by Lessee, its agents, servants, employees, contractors, customers or invitees; (b) the conduct or management of any work or thing whatsoever done by the Lessee in or about the Premises or from transactions of the Lessee concerning the Premises; (c) Lessee's failure to comply with any and all governmental laws, ordinances and regulations applicable to the use of all the Premises and its occupancy; or (d) any breach or default on the part of the Lessee in the performance of any covenant or agreement on the part of the Lessee to be performed pursuant to the Lease. The provisions of this Article shall survive the termination of this Lease with respect to any claims or liability occurring prior to such termination.

**10. EFFECTIVENESS OF LEASE.** Except as set forth in this Third Amendment to Lease, all of the provisions of the Lease shall remain unchanged and in full force and effect.

**11. CORPORATE AUTHORITY.** If Lessee is a corporation, Lessee represents and warrants that this Third Amendment to Lease and the undersigned's execution of this Third Amendment to Lease has been duly authorized and approved by the corporation's Board of Director's. The undersigned officers and representatives of the corporation executing this Third Amendment to Lease on behalf of the corporation represent and warrant that they are officers of the corporation with authority to execute this Third Amendment to Lease on behalf of the corporation.

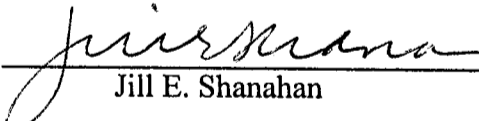
**LESSOR:**

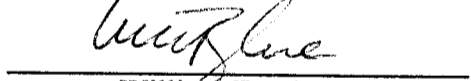
**LESSEE:**

RREEF WEST-V, INC.,  
a Delaware corporation

CTS NETWORK SERVICES, a Division of  
Datel Systems, Inc., a California corporation

BY: RREEF Management Company,  
a California corporation

BY:   
Jill E. Shanahan

BY:   
William E. Blue

TITLE: District Manager

TITLE: President

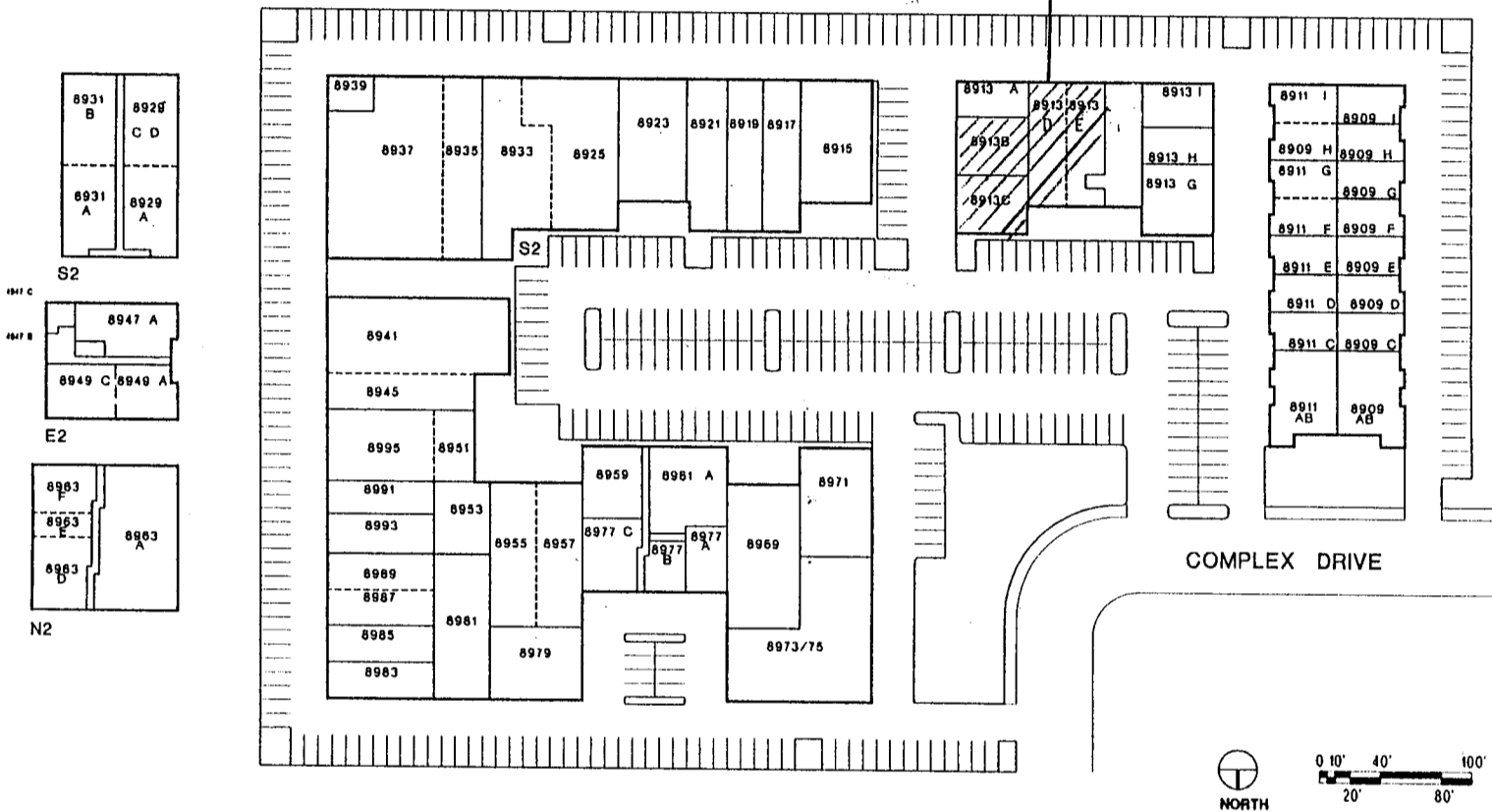
DATE: 9/27/96

DATE: 9/26/96

EXHIBIT A  
SITE PLAN

This Exhibit A is attached hereto and made part of this Third Amendment to Lease dated September 18, 1996, between RREEF WEST-V, Inc., a Delaware corporation ("Lessor"), whose address is 8949-C Complex Drive, San Diego, California 92123, and CTS Network Services, a Division of Datel Systems, Inc., a California corporation ("Lessee").

8913 Complex Drive, Suites B, C, D & E  
San Diego, CA 92123



*[Handwritten Signature]*  
*[Handwritten Initials]*  
INITIAL