



Silverstein Properties, Inc.
7 World Trade Center
New York, N.Y. 10048
Telephone: 212-619-6569
Fax: 212-732-5190

July 8, 1998

CERTIFIED MAIL

Mr. Jeff Kondrat
Assistant Commissioner for Leasing and Space Design
Department of City Wide Administrative Services
Division of Real Estate Services
1 Centre Street, DRES - Room 2000 North
New York, New York 10007

RE: 7 World Trade Center
Mayor's Office of Emergency
Management-1st, 7th, & 23rd Floors

Dear Mr. Kondrat:

Pursuant to Article 6, Paragraph (I) of the Lease (attached) and in accordance with your approval of Ambassador's bid dated July 2, 1998 (attached).

This will serve as a request for payment in the amount of \$7,000,000.

As set forth in the Lease, this payment is due as follows:

- a. \$3,500,000 within 60 days after your receipt of this letter
- b. \$3,500,000 within 120 days after your receipt of this letter

If you have any questions, regarding the contents of this letter please feel free to contact me. Thanking you in advance.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter J. Weems III".

Walter J. Weems III
Building Manager

WJW:ac

cc: Cathy Giliberti
Chi Chu
Bill Dacunto
Richard Ramos (DCAS)
Jerry Hauer (OEM)
Glen Pymento (DRES)

Lease Clause 6(I)

Contribution shall be made as construction cost additional rent as follows: (i) within 60 days following approval of the bids of all trades necessary for Substantial Completion of the Demised Premises, but not earlier than 60 days after receipt by Tenant of an invoice therefor, Tenant shall pay to Landlord the sum of \$3,500,000.00, (ii) within 120 days following approval of the bids of all trades necessary for Substantial Completion of the Demised Premises, but not earlier than 60 days after receipt by Tenant of an invoice therefor, Tenant shall pay to Landlord an additional sum of \$3,500,000.00, and (iii) 30 days after Substantial Completion, Tenant shall pay to Landlord the balance of the Work Cost in excess of Landlord's Contribution. Said payment by Tenant upon Substantial Completion may exclude the undisputed value of uncompleted punch list items and uncompleted Scheduled Items, which amount shall be paid promptly by Tenant after completion by Landlord. Any late payment by Tenant after the said above stated dates shall be made together with interest at 10% per annum, compounded daily from date due to date of payment, but in no event more than the highest rate of interest which at the time shall be permitted under the laws of the State of New York.

(J) Any dispute regarding the determination of Substantial Completion of Tenant's Initial Work shall be resolved by arbitration, in the manner by the rules and before the American Arbitration Association (or any successor organization) in New York County. The party desiring arbitration shall appoint as arbitrator on its behalf, a person having at least 10 years relevant experience and give written notice to the other party who shall, within 15 days thereafter, appoint a second person having at least 10 years relevant experience and give written notice thereof to the first party. The arbitrators so appointed, shall within 15 days following the appointment of the second arbitrator appoint a third disinterested person having no less than 10 years relevant experience.

Said arbitrators shall, as promptly as possible (but in any event within 30 days following the appointment of the third arbitrator) determine the dispute by a majority of the arbitrators, whose decision shall be binding and conclusive upon the parties hereto. Each party shall bear its own fees and expenses of (i) its own attorneys and other experts and the arbitrator that it selected and (ii) be responsible for one-half the fees and expenses of the third arbitrator.

The arbitrators shall have no power to vary or modify any of the provisions of this Lease, and their powers and jurisdiction are limited accordingly. The decision of the arbitrators shall be binding upon the parties, and may be entered as a judgment in any court having jurisdiction thereover.

(K) If Tenant shall fail to make timely payment of any sums payable to Landlord pursuant this Article, then, in addition to all other rights and remedies afforded Landlord in the event of such non-payment, Landlord may, without notice to Tenant, discontinue the performance of Tenant's Initial Work, including any additional work (or any items thereof) until such time as Tenant makes payment to Landlord of all such past due sums and provides Landlord with adequate assurance of the timely payment of all additional sums which may or shall be payable by Tenant pursuant to this Article. Any delay resulting from the discontinuance of Tenant's Initial