

CONFIDENTIAL

Appendix A
Agreement No. SC00280
March 05, 1996

PURCHASE ORDER

WHEREAS, The Capitol Group ("Customer") and Southwestern Bell Telephone Company ("SWBT") entered into Agreement SC00280 on August 7, 1990 (the "Agreement"); and

WHEREAS, Customer and SWBT desire to execute Purchase Order (the "Order") as provided in the Agreement pursuant to which SWBT will perform SERVICES as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained, the parties agree as follows:

SCOPE OF WORK

SWBT will provide Consulting, Engineer and Design (the "SERVICES") for The Capitol Group located at 8000 IH 10 W. San Antonio, Texas 78230 (the "PREMISES").

SWBT will consult with The Capitol Group about current and future communication needs on an as needed basis. This could include time spent in out of town meetings with Engineers and Architects, but does not cover travel expense. A separate bill would be issued for actual travel expenses incurred.

This Purchase Order will not exceed Eighty Hours (80) after which a new Purchase Order will be issued. The Capitol Group will be billed in Twenty Hour (20) increments.

MATERIAL AND PRICE LIST

ItemTotal Value of Purchase Order

Consult, Engineer, Design

80 Hrs @ \$122.00 Per Hour = \$9,760.00

IN WITNESS WHEREOF, this Order has been executed by authorized representatives of the parties hereto, in duplicate, as of the dates set forth below.

Accepted:

Accepted:

The Capitol Group
Customer

Southwestern Bell Telephone Company
Company

By: Kent Krause
Title: MGR-TELECOM
Date: 3/18/96

By: Steven M. Gordon
Title: Area Mgr - Bus. Sale
Date: 3-5-96

002920

Call area number
222-5155
X231126

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July 17, 1995

Moses:

Re: Requested Copies of Master Contracts

We have searched our files at 1010 N. St. Mary's for the master contacts associated with the following NPIC's:

X231126 Capital Group

1.

in

CAPITAL
GROUP

The X231126 P.O. refers to a Master Contract number of MC00103. This is an incorrect contract number. The correct Master Contract number for Capital Group is SC00280 with a signature date of 8-7-90. We cannot find the Master Contract but have again attached the form titled Auth. to Start Design Work and Obtain Materials signed by Kent Krause, Capital Group's VP, dated 6-27-90.

Tess Goodwin

Attachments

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AUTHORIZATION TO START DESIGN WORK AND OBTAIN MATERIALS

This agreement is entered into between Southwestern Bell Telephone Company ("SWBT"), a Missouri corporation with its principal place of business at 1010 Pine Street, St. Louis, Missouri and The Capital Group, Inc., with its principal place of business at 135 S. State College Blvd., Brea, California.

Pursuant to this agreement, The Capital Group, Inc., hereby authorizes SWBT to incur the necessary costs of obtaining necessary materials and providing design work for constructing a BDS as described in Exhibit A, attached hereto, and The Capital Group, Inc. agrees to be responsible for any such costs incurred therein. Both parties agree and understand that Exhibit A is for information purposes only and that neither party intends to be bound by any provision or representation contained therein. The sole purpose of this agreement is to authorize and allow SWBT to incur the necessary expenses, on behalf of The Capital Group, Inc. of obtaining material and designing the system in order to provide the timely installation of the BDS if the parties later agree to contract for the sale and/or installation of the system. Specific detailed work permits will be provided prior to any actual work beginning.

This authorization expires and terminates September 17, 1990, unless on or before that date:

- A. The Capital Group, Inc. terminates this authorization by giving written notice to SWBT, or
- B. The parties enter into a final agreement; or provision and installation of the BDS or
- C. The parties mutually agree in writing to change the expiration date of this authorization.

If this authorization is terminated as provided for in subparagraph A) above, SWBT shall, upon receipt of the written notice, cease work immediately. If this authorization terminates other than as provided for in subparagraph B) above, The Capital Group, Inc. shall pay SWBT all amounts due for design services and materials ordered by SWBT under this authorization. Title to the materials shall pass to The Capital Group, Inc. upon receipt of such payment.

If a final agreement as referred to in subparagraph B) above is entered into, then any charges for material and design services under this authorization shall be included in calculating the pricing terms of that agreement and the terms and conditions of the final agreement shall supersede this authorization.

All notices required under this authorization are to be sent in writing to:

TO SWBT: Southwestern Bell Telephone Co.
1010 Market Street
St. Louis, Missouri 63101
Attn: Contract Manager-Marketing

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To The Capital Group, Inc.:
135 S. State College Blvd.
Brea, California 92621

Attn: Jeff Jedinak

Such notice or demand shall be deemed to have been given when received by the other party.

The following terms apply to this authorization:

USE OF INFORMATION

The Capital Group, Inc. shall keep confidential all information, drawings, specifications or data furnished by SWBT to The Capital Group, Inc. in connection with the material, design work or this authorization.

DISCLAIMER OF WARRANTY

SWBT MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, EXCLUDING WARRANTY OF FITNESS FOR THE PARTICULAR INTENDED PURPOSE, AND WARRANTY OF MERCHANTABILITY.

ENTIRE AGREEMENT

Estimates furnished by SWBT shall not constitute commitments. The terms contained in this authorization, excluding Exhibit A, constitute the entire agreement between SWBT and The Capital Group, Inc. and may not be modified except by a writing signed by SWBT and The Capital Group, Inc. both parties agree and understand that Exhibit A is for information purposes only and that neither party is to be bound by any provision or representation therein. The provisions of this authorization supersede all prior oral and written quotations, communications, agreements, and understandings of the parties in respect of the subject matter of the agreement.

IN WITNESS WHEREOF, the foregoing authorization has been executed as indicated by The Capital Group, Inc. acceptance below.

Accepted:

The Capital Group, Inc.
By: Kent Krause
Title: V.P. Central Services Division
Date: 6/27/90

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